

JPRS-UIA-86-004

23 January 1986

USSR Report

INTERNATIONAL AFFAIRS



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WORLDWIDE TOPICS

ALL-UNION CONFERENCE ON SOVIET FOREIGN POLICY HELD

Moscow NOVAYA I NOVEYSHAYA ISTORIYA in Russian No 5, Sep-Oct 85 pp 209-210

[Article by T. N. Timofeyeva: "All-Union Forum of Scientists Devoted to the Struggle of the USSR for Peace and Security in Europe" under the heading: Scientific Sessions and Conferences]

[Text] The All-Union scientific conference "The Historical Experience of the Struggle of the Soviet Union and Other Socialist Countries for Security and Cooperation in Europe" on the occasion of the tenth anniversary of the European conference in Helsinki took place on 30-31 May 1985 in Tallinn.

It was organized by the Scientific Council of the USSR Academy of Sciences "History of the Foreign Policy of the USSR and International Relations" jointly with the Soviet Committee for European Security and Cooperation, the Institute of History of the Estonian SSR Academy of Sciences, the Scientific Methodological Council for Popular Dissemination of the Foreign Policy of the USSR and International Relations under the managing board of the Order of Lenin All-Union Society for Knowledge and the managing board of the Society for Knowledge of the Estonian SSR. Participants in the conference included employees of academic institutes, the Institutes of the History of the USSR, of the History of the United States and Canada, and of World Economics and International Relations, instructors from the Diplomatic Academy and the Moscow State Institute of International Relations of the USSR Ministry of Foreign Affairs, scientists from a number of European socialist countries and also the deputy chairman of the Council of Ministers of the ESSR and chairman of the ESSR State Planning Committee, G. Tynspoyeg, the director of the Department of Science and Educational Institutions of the Central Committee of the Estonian Communist Party, A. Aben and other responsible officials of the Central Committee of the Estonian Communist Party. In his welcome to the conference participants G. Tynspoyeg expressed satisfaction that such an important scientific forum took place in the capital of Estonia.

The conference was opened with introductory remarks by the chairman of the Scientific Council of the USSR Academy of Sciences "History of the Foreign Policy of the USSR and International Relations," Academician A. L. Narochnitskiy. He emphasized that the conference was going on at a portentous time of active preparation for the 27th Congress of the CPSU, in the days celebrating the 40th anniversary of the Great Victory, which had a decisive influence on the whole course of world history and progress.

The basic report "The Historical Experience of the Struggle of the Soviet Union and Other Socialist Countries for Security and Cooperation in Europe" was presented by A. L. Narochnitskiy. Questions of preserving peace and security, he emphasized, have always occupied a central place in the foreign

policy of the Soviet Union. A substantial contribution to the implementation of the European Conference in Helsinki was made by the peace-loving public. A significant role in this process was played by the public of the USSR and other socialist countries. Our country constantly demonstrates its readiness for active cooperation with all governments and peace-loving public forces and displays genuine concern for sparing people from the threat of nuclear destruction. A. L. Narochitskiy noted that the conference was called on to analyze the historical experience of the struggle of the socialist countries for the peace and security of nations.

Doctor of Historical Sciences, Professor A. I. Dabin (Institute of Military History of the USSR Ministry of Defense) gave the report "The Decisive Contribution of the Soviet Union to the Victory over Fascism Was a Very Important Factor of Postwar Peace and Security in Europe." Doctor of Historical Sciences, Professor V. Ya. Sipols (Institute of the History of the USSR of the USSR Academy of Sciences) - "The Role of Soviet Diplomacy in Ensuring Victory in the Great Patriotic War and the Postwar Peace Settlement in Europe," Deputy Chairman of the Soviet Committee for European Security and Cooperation Y. K. Silin - "The Public of the USSR and other Socialist Countries in the Struggle for Security and Cooperation in Europe." "The Coordinated Foreign Political Activity of the Socialist Countries is a Very Important Factor in Ensuring Peace and Security in Europe" was the subject of the address by the deputy chairman of the Scientific Council "History of the Foreign Policy of the USSR and International Relations," Doctor of Historical Sciences L. N. Nezhinskiy (Institute of History of the USSR Academy of Sciences). The first plenary session concluded with the report, "The Place of the European Conference in Stabilizing the Situation in Europe" by Candidate of Historical Sciences I. Sobotki (Czechoslovakia), who participated in the preparation of the conference in Helsinki.

The second plenary session was opened by the chairman of the managing board of the Society for Knowledge of the Estonian SSR, Academician of the ESSR Academy of Sciences V. A. Maamyagi. At this session reports were given by: the deputy director of the Institute of the Economics of the World Socialist System of the USSR Academy of Sciences, Doctor of Historical Sciences, Professor I. I. Orlik - "The Warsaw Pact Is a Factor for Peace and International Security," Candidate of Historical Sciences S. P. Mayorov (Central Institute of History of the GDR Academy of Sciences) - "The GDR and the Implementation of the Decisions of the Helsinki Final Act in the Field of Military Detente," Doctor of Historical Sciences M. M. Belousov (Kiev State University) - "Problems of European Security and the Activity of the USSR in the UN," Candidate of Historical Sciences G. S. Khozin (Institute of the USA and Canada of the USSR Academy of Sciences) - "The Helsinki Conference and the Cooperation of European States in Resolving Global Problems," Candidate of Historical Sciences Zh. Grigorova (Bulgaria) - "The Balkans after the Conference in Helsinki."

The Scientific Secretary of the Scientific Council of the USSR Academy of Sciences "History of the Foreign Policy of the USSR and International Relations," Candidate of Historical Sciences V. I. Milyukova (Institute of History of the USSR of the USSR Academy of Sciences) in her report "The Inviolability of the Borders in Europe and Revanchist Tendencies in the Federal

Republic of Germany" emphasized the close interconnection of the problems of European security with the unconditional observance of the principle of the inviolability of the current European borders, which constitute the foundation of European security. "Implementation of the Agreements in Helsinki on Questions of Culture and Information and the Ideological Struggle" was the subject of the presentation by Doctor of Historical Sciences, Professor Yu. B. Kashleva (USSR Ministry of Foreign Affairs).

The director of the Institute of History of the ESSR Academy of Sciences, R. N. Pullat, opened the third plenary session. At it the report of Candidate of Historical Sciences P. Bereni (Hungary) - "From Budapest to Helsinki," which was devoted to the cooperation of the European socialist countries, which are consistently implementing a Leninist peace policy, was heard. The Prorector of the Moscow State Institute for International Relations of the USSR Ministry of Foreign Affairs, Doctor of Economic Sciences, Professor N. P. Dracheva gave the report "Problems of Economic Cooperation in Europe and the American Policy of Opposing This Cooperation." Doctor of Economic Sciences, Professor A. N. Bykov (Institute of the Economics of the World Socialist System of the USSR Academy of Sciences) - "Problems of Economic, Scientific and Technical Ties of the CEMA Countries in the Contemporary Era in the Light of the Ideas of Helsinki," Doctor of Historical Sciences, Professor V. I. Antyukhina-Moskovchenko (Moscow State Institute for International Relations of the USSR Ministry of Foreign Affairs) - "Problems of European Security and France," Candidate of Historical Sciences F. I. Novik (Institute of History of the USSR Academy of Sciences) - "Problems of Peaceful Coexistence and Confrontation in Europe in the Contemporary Era," the vice president of the ESSR Academy of Sciences, Academician A. A. KEYERNA - "The USSR and Problems of Creating a Non-nuclear Zone in Northern Europe," Doctor of Historical Sciences, Professor A. S. Protopopov (Institute of History of the USSR Academy of Sciences) - "Problems of European Security and the Ideological Struggle," Candidate of Psychological Sciences Ye. V. Yegorova (Institute of the USA and Canada of the USSR Academy of Sciences) - "The Doctrine of 'Deterrence' in the European Policy of the United States. Psychological Aspects," Candidate of Economic Sciences O. B. Labetskiy (Institute of the Economics of the world Socialist System of the USSR Academy of Sciences) - "Criticism of Bourgeois Concepts of the Foreign Policy of the Countries of the Socialist Commonwealth on Questions of European Security."

Summing up the results of the work of the conference A. L. Narochitskiy emphasized the fruitfulness of the exchange of opinions on current questions of the foreign policy of the countries of socialism and contemporary international relations and the weighty contribution made by the conference in the scientific analysis of important problems of Soviet historical science in the field of the foreign policy of the USSR and international relations.

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EAST-WEST RELATIONS

ALL-EUROPEAN COOPERATION NECESSARY FOR IMPROVEMENT IN SITUATION

Moscow NEW TIMES in English No 43, Oct 85 pp 3-7

[Article by Boris Vesnin: "A Fresh Manifestation of Leninist Foreign Policy"]

[Text] Mikhail Gorbachev's Paris visit continues to be the subject of worldwide comment. Public attention was first focussed on the initiatives put forward by the Soviet leader relating to the termination of the arms race and the reduction of armaments. And understandably, for there is a growing awareness everywhere that it has long been high time to defuse the nuclear time bomb imperialism has planted under the entire globe. But as time goes on, more and more press commentators and political leaders are beginning to turn their attention to other problems touched upon during the talks in France. And prominent among these is the outlook for the European continent.

For one thing, it is in Europe that the two main opposing military-political alignments come into direct contact. For another, it is literally saturated with weaponry, from the nuclear and chemical to the most sophisticated types of conventional armaments. Two world wars have broken out on European territory and should the unthinkable happen, it could become the launching pad for a new, this time truly cataclysmic military confrontation.

In the course of Mikhail Gorbachev's trip to Western Europe, our foreign policy once again, on this plane too, demonstrated its consistency and continuity, its constructiveness and its inexhaustible potential.

I.

Europe has always been a central issue in our foreign policy. It will be recalled that Lenin, replying to a question about the foreign policy intentions of the Soviet state, said that in Europe we have but one intention-- "peaceful coexistence with all peoples."

In charting its European policy, our country had to take account of the vicissitudes of the continent's history. Immediately after the first world war Soviet diplomacy embarked on a vigorous search for ways and means of preventing a new catastrophe. As far back as the 1920s, in the face of resistance from the imperialist powers and their attempts to exclude

Soviet Russia from the concert of European powers, our country took a number of major steps aimed at strengthening relations of peace, primarily, needless to say, with its European neighbours. In the 1930s, when the spectre of World War II became clearly discernible, it was the Soviet Union that advanced the idea of creating a system of collective security in Europe. Had this idea been realized war could have been averted. Unfortunately, however, the Soviet initiative was torpedoed by the combined efforts of a number of Western powers.

During the war the Soviet Union gave serious thought to what could and should be done to provide reliable guarantees of peace after the war. This problem was discussed at conferences of the allied powers, at which understandings were reached on a postwar settlement for Europe that would guarantee the maintenance of peace and the development of mutually beneficial cooperation among all the countries of the continent. But these understandings were subsequently scuttled by the Western powers.

The cold war sharply aggravated the European situation. The establishment of NATO and the policy it pursued led to the revival of the war danger on the continent. In these difficult circumstances our country worked for solutions capable of strengthening European security. But again the West prevented their realization.

The 23rd Congress of the CPSU advanced the idea of the convocation of an all-European conference of states to examine the entire range of problems relating to security on the continent. This time, thanks to the active joint efforts of the socialist countries, of all peace forces, the fruitful idea was realized. Detente, the all-European Conference in Helsinki in 1975, inscribed a page of unique importance in European history. We take pride in the knowledge that our country made a worthy contribution to this.

All this is the past, albeit the recent past. But the past is worth being brought to mind. For it has been useful lessons to teach. The Soviet Union has always been ready to learn from the lessons of the past. It demonstrated this once again during Mikhail Gorbachev's Paris visit.

II.

The basic lessons of European history are obvious to us. How do we understand them?

First. The Soviet Union holds that security in Europe presupposes the absence of both war and the danger of war. If the war danger remains, the continent is gripped by anxiety even if there is no war. It spends enormous effort and means on the arms buildup, diverting vast resources away from peaceful purposes, from being used to meet the needs of all Europeans.

Second. Prevention of war and removal of the war danger are especially essential in our time. "The interdependence, the intertwining of the destinies of peoples, despite the difference of the social roads they have chosen, is particularly felt in Europe. Because it is so densely populated

and oversaturated with armaments, Europe, as no other continent, is vulnerable to armed conflict, the more so nuclear," Mikhail Gorbachev said in his speech to French parliamentarians.

Combined in this thesis are the lessons of history and the present-day world and European realities--realities that call for a new look at things, a new approach to many problems, primarily to those on which the security of Europe and the world in general depends.

Over the centuries it came to be considered axiomatic that the security of states can be ensured by military means, by force of arms. Today this concept, but recently regarded as a self-evident truth, has been revealed to be a gross fallacy. In our time to assume that the security of individual states and the continent as a whole can be guaranteed by military means is sheer insanity.

The wounds inflicted on Europe by the tragedies of the two world wars are not yet healed. Veterans of past battles are still among the living. But after a third world war there would be neither veterans nor wounds. There would be a wilderness.

The Soviet leadership and the Soviet people are fully aware of this new reality. We also know that consciousness of this new reality, as of any new idea, does not come at once. But an awakening to it there must be. As Mikhail Gorbachev said: "We have begun a reappraisal, the full adjustment to the new realities, of many customary concepts, in the military and, naturally, the political spheres, as well. One would want to see such a reappraisal also in Western Europe and beyond its bounds."

In the recent period, and especially in Paris, our leadership has put forward a number of suggestions and proposals which offer a real alternative to nuclear terror, to futile attempts to ensure security in Europe by means of armed force.

The proposals and initiatives advanced by the Soviet Union add up to a comprehensive plan for strengthening peace and security and promoting cooperation on the European continent. All the components of this plan, needless to say, are interconnected. But for the sake of convenience let us divide them into two major groups.

The first relates to the removal of the danger of war hanging over the peoples of the European countries.

To begin with, the Soviet Union has proposed and continues to propose that Europe be rid of nuclear weapons, both medium-range and tactical. On the negotiating table of the Soviet-American talks in Geneva are proposals relating to the liquidation of the American arsenals of medium-range nuclear weapons in Europe and the corresponding reduction of analogous Soviet weapons. In Paris Mikhail Gorbachev proposed to the French leadership that an exchange of opinions could subsequently develop into full-scale talks. A similar proposal was made to the British leadership through the Soviet ambassador in London.

The Soviet Union supports the idea advanced by various countries of creating nuclear-free zones in Northern Europe and the Balkans. We likewise endorse the proposals made some time ago by the governments of Spain and Portugal for making the Iberian Peninsula a nuclear-free zone. The Soviet Union similarly supports the suggestion made by Swedish Prime Minister Olof Palme to create a zone free of tactical nuclear weapons along the frontier between the two military blocs in the centre of Europe.

In all these instances, the U.S.S.R. is ready not simply to support the actions of other countries but also to give effect to measures within its own competence, primarily, of course, to guarantee the observance of the status of nuclear-free zones, provided other nuclear powers do likewise.

In connection with the visit to Moscow of Muammar Gaddafi, Mikhail Gorbachev reaffirmed that the Soviet Union and other members of the Warsaw Treaty Organization are opposed to the deployment of nuclear weapons on the territory of non-nuclear Mediterranean countries. We have long advanced the removal from the Mediterranean of ships carrying nuclear weapons.

Lastly, the Soviet Union also holds that countries which do not possess nuclear weapons and do not have them on their territories are fully entitled to reliable guarantees in international law that nuclear weapons will not be used against them.

But all these are partial measures that do not ensure a radical solution of the problem. Nevertheless, each of these measures could hasten a radical solution, facilitate its achievement.

Our country takes full account of the fact that chemical weapons are also a dangerous means of mass destruction—dangerous above all for the civilian population. For this reason, while standing for the total prohibition of chemical weapons and the abolition of their stockpiles, the U.S.S.R. and its allies have proposed ridding Europe of this means of wholesale annihilation of human life. We have also fully supported the proposal made by the governments of the German Democratic Republic and Czechoslovakia for the creation in Central Europe of a zone free of chemical weapons. This too is a partial measure, but its realization would be a step towards freeing Europe of the chemical threat.

While in Paris, Mikhail Gorbachev announced that the Soviet Union is prepared to conclude a treaty of non-use of chemical weapons after the pattern of the nuclear non-proliferation treaty. Were such a treaty to be concluded, the countries which now do not have chemical bombs or shells on their territories would be guaranteed against the appearance of such weapons within their boundaries.

We have already mentioned in the previous article that the Soviet Union, together with the other socialist countries, is consistently working to ensure progress of the Vienna and Stockholm talks. Such progress would help to scale down military activity in Europe and at the same time to build

confidence among the European countries. It hardly need be said that in the present explosive situation this would be of no little positive significance.

The U.S.S.R., like the other socialist countries, long ago declared for the abolition of the military-political blocs in Europe and continues to urge that this proposal be carried into life. At any rate, a start could be made by doing away with their military organizations. However, the West so far declines to do either the one or the other. In these circumstances it is evidently necessary to find non-traditional solutions. "We do not think, for instance," Mikhail Gorbachev said, "that there is a lifetime taboo on contacts in some form between the Warsaw Treaty and the North Atlantic alliance as organizations.... As we see it, even in the conditions of the existence of two blocs it is possible to create such a modus vivendi as would blunt the acuteness of the present confrontation."

As will be seen, our country has advanced a whole series of constructive proposals as regards military detente in Europe. It should be noted that these proposals consist primarily of our own ideas, but at the same time they take into account the initiatives advanced and the considerations expressed by other states, other socio-political forces on the continent.

The important thing is that our proposals do not infringe the security interests of any country. There is nothing in our initiatives that would give one-sided advantage to anyone. All that we propose doing would lessen the war danger for both East and West, would strengthen the security of all European peoples.

Security in Europe is essentially indivisible. Ask yourself this question: can the security of any European country be ensured at the expense of the security of another? This was always doubtful, and in the present conditions in our nuclear missile age, it is totally excluded. The security of any European country is closely linked with the security of all the rest. These considerations underlie all our proposals relating to the relaxation of military tension in Europe.

III.

Now let us turn to the second group of our views and thoughts relating to the radical improvement of the situation in Europe--those connected with all-European cooperation.

It should perhaps be mentioned first of all that the mechanism of such cooperation inevitably extends to the sphere of political contacts. Our country is vigorously promoting such contacts with practically all European countries. The same may be said of the other socialist countries of Europe.

Mikhail Gorbachev's trip to Paris essentially marked the resumption of regular top-level contacts between the Soviet Union and France. This is important considering the role our two countries can, as historical experience shows, play in improving the European and world climate.

The fact that both our countries have expressed the will to move towards detente is highly significant from this standpoint. The first time the U.S.S.R. and France appealed to all European countries to take this course was in the second half of the sixties. This was an important stimulus to the preparations for the all-European Conference in Helsinki. And now our countries are again issuing this call. This is not merely a matter of nostalgia for the seventies, it is a matter of the desire of the U.S.S.R. and France to lessen the danger for humanity, to lead Europe and the whole world out of the impasse of the confrontation policy.

Of course, the results of this new call, which reflects the two countries' sense of responsibility for the destinies of humanity, depend on how other countries will react to it. However, it can already be said without exaggeration that the broadest sections of the European public welcome this approach, support the desire voiced in Paris to strive for normalization of the situation, for strengthening relations between states on the principles of peaceful coexistence.

Economic relations have always been an important basis for cooperation in Europe. The U.S.S.R. already has developed long-term economic ties with practically all West European countries. Now another step in this direction was made in Paris with the signing of a new Soviet-French agreement on economic cooperation for the coming five years. Both countries agreed to impart real and weighty content to this agreement.

However, bilateral relations between states is an important but not the only aspect of the matter. Europe also has international economic organizations, primarily the Council for Mutual Economic Assistance and the European Economic Community. The CMEA countries have proposed the establishment of contacts between these two organizations. This initiative appears to have been favourably received, and it is important that it should yield concrete results.

In the opinion of the U.S.S.R. and France as well as of many other countries, the promotion of relations between the two international economic organizations in Europe should not be detrimental to the existing and successfully developing relations between countries on a bilateral basis.

At the same time, as Mikhail Gorbachev noted, insofar as the EEC countries act as a "political entity" we are ready to search for a common language with it on concrete international problems as well. This could be done in different forms, including parliamentary ties, also with those who represent the European Parliament.

Some time ago the Soviet Union advanced important all-European initiatives relating to the creation of continent-wide power and transport systems, as well as cooperation in environmental protection. The nearly 10 years that have passed since those initiatives were first put forward have fully confirmed their correctness and timeliness. One can only regret that they have not been realized.

A certain beginning was made in the sphere of environmental protection. Yet today, when most European countries are suffering more and more keenly from acid rain and the pollution of the atmosphere and water resources, it is clear that delay in carrying out the Soviet proposals was a shortsighted policy. Today there are no longer any national solutions, or practically none, to the problems put on the agenda by our country. The environment is a sphere in which awareness of the common destiny of the whole continent is essential for everyone.

The Soviet Union is also a strong advocate of all-European cooperation in the humanitarian sphere--the protection by a joint effort of the cultural values of the past, as well as cultural exchanges, i.e., mutual enrichment of the spiritual wealth of every nation. Further, activation of people-to-people contacts, in particular among the youth of different countries, in other words, among those who are to build the future. And finally, combined effort to fight diseases--old and new.

The Soviet Union attaches the greatest importance to guaranteeing human rights and cooperation in this field. "All that is needed is to rid this issue of hypocrisy and speculation, of attempts to interfere in the internal affairs of other countries," Mikhail Gorbachev observed. Adhering to this approach and with full respect for the sovereign rights of all states, the problems that arise, for instance, mixed marriages, reunion of families, the status of immigrant workers, etc., can and must be resolved in a positive and humane way.

Thus the Soviet Union has a broad, all-embracing programme not only for scaling down military tension, but for mutually beneficial cooperation among the European countries.

IV.

Our platform for all-European cooperation and security on the continent is wholly based on the postulates and conclusions of the all-European Conference in Helsinki. It is in place to recall in this connection that the Soviet Union is the only country in the world that has incorporated all ten Helsinki principles in its Constitution and steadfastly observes them. In the future, too, we shall continue to give effect to the Helsinki Final Act in all of its particulars.

"Security in Europe, just as international security in general," Mikhail Gorbachev said in his address to French parliamentarians, "can be achieved only on the road of peaceful coexistence, relaxation of tension, disarmament, strengthening of trust and development of international cooperation." This is our credo, this is our approach to this cardinal problem of our time.

The Soviet Union is well aware that the road to attainment of these objectives can be neither short nor smooth. After all, this is not a matter of some technical or secondary problems. It is a matter of serious political issues requiring a responsible approach and bold decisions. It

involves overcoming mutual suspicion, distrust and prejudice accumulated over the decades.

The important thing, however, is to realize that there is no other way.

Incidentally, as far as Europe is concerned, it is not a question of beginning from scratch. We have already mentioned the period of detente of the late sixties and early seventies. Despite the subsequent heightening of tension, detente did not die. It had struck rather deep roots and preserved its potential. Now this potential has to be set in motion.

Of course, the most difficult thing here is to resolve the problem of reducing military tension. The formal obstacle to this is the threadbare fiction of the alleged Soviet military threat. But can a country that advances such far-reaching and genuine peace proposals present a threat to anyone? Can any threat emanate from a country that has taken serious unilateral steps towards ending the perilous arms race?

Another objection sometimes raised to plans for strengthening security in Europe is that realization of these plans would supposedly drive a wedge between Europe and America and that this allegedly would weaken rather than strengthen European security. This argument too holds no water. The Soviet leadership has repeatedly made it plain that it does not pursue a Metternich policy of setting states one against the other. Its policy is one of global detente, of strengthening security worldwide and promoting peaceful cooperation among all nations.

Being realists, the Soviet leaders know quite well how strong are the ties--historical, political and economic--linking Western Europe and the United States. If the security of Western Europe is heightened this will not prevent it from developing mutually beneficial ties with anyone. On the other hand, the strengthening of security in Europe would mean greater security for the United States, for each and every American.

Europe throughout its history has suffered no less, and perhaps more, than other continents from wars and armed conflicts. It is not by chance that numerous projects for eternal peace and lasting peaceful cooperation among the continent's states originated on European soil. Erasmus of Rotterdam and King George of Podebrad, John Amos Comenius and William Penn, Jean Jacques Rousseau and Vassily Malinovsky, and many other great European thinkers of various epochs devised plans for everlasting peace in Europe. But none of these projects were fated to materialize.

In our time the idea of all-European security and cooperation rests on a firm and reliable foundation. That foundation is the existence and active policy of the countries of the socialist community; the existence in Europe of influential social forces standing for peace; the political realism of many statesmen who are conscious of the danger with which confrontation is fraught and are seeking to do away with it; and lastly,

the durable fabric of political, economic and cultural contacts between countries that has been woven by their combined efforts over the past several decades.

The concept of European security and cooperation propounded so forcefully by the leadership of the CPSU and the Soviet state is perfectly realistic. It is the practical embodiment of the principles of the Leninist foreign policy.

Lasting peace in Europe is a goal worth exerting every effort to achieve. Given that effort--by not only the Eastern but also the Western part of the continent--Europe could cease once and for all to be a "theatre of hostilities" (as it is often regarded in the West) and become an arena of genuine peaceful cooperation, a weighty factor making for the improvement of the entire world situation and the normalization of international relations.

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CSO: 1812/053

EAST-WEST RELATIONS

WESTERN RELIGIOUS GROUPS SUPPORT AIMS OF HELSINKI AGREEMENT

Moscow NAUKA I RELIGIYA in Russian No 8, Aug 85 pp 54-55

[Article by V. Bogdanov: "The Spirit of Helsinki: Its Friends and Enemies"]

[Text] In May, the world celebrated the 40th anniversary of the victory over fascism which once again recalled the incalculable sacrifices borne by, first and foremost, the European peoples in the struggle to free humanity from the Nazi plague. We are now celebrating the 10th Anniversary of the Conference on Security and Cooperation in Europe (Helsinki, July 30-August 1, 1975)--an important landmark on the path of securing peace and international cooperation.

This conference had no precedent in world history. Its participants planned a path for developing interrelations between interested states under conditions of peaceful coexistence. The concluding document of the conference recorded the changes which have taken place in Europe as a result of the victory over fascism, drew a final line under World War II, condemned the practice of "cold war," and marked Europe's entry into a new period of development.

A decree from the CPSU Central Committee Politburo, USSR Supreme Soviet Presidium and USSR Council of Ministers "On the Results of the Conference for Security and Cooperation in Europe" which was convened on the initiative of socialist countries, as well as the United States and Canada, notes that it "opened new possibilities for accomplishing the central task of our time: securing the peace and security of nations." This document emphasized that the chief thing is to supplement political detente with military; strive for reduction and, after that, the end of the arms race; to advance along the path which leads to universal and complete disarmament; to lessen military confrontation on European soil; and to plead the case for overcoming the division of Europe into antagonistic military blocs. "The putting into practice of the proclaimed principles and agreements," the decree pointed out, "demands the Soviet Union and all peaceable countries make serious new efforts and overcome the difficulties and obstacles created by the powers which resist the work for peace and detente."(1)

And over the years which have passed since the conference, the USSR and other socialist states have indeed made huge efforts to realize the noble goals and principles proclaimed at Helsinki--something which is impossible to say about the Western participants of this international forum.

Toward the end of the 1970's, powers in the U.S. ruling circles and their allies in NATO have been prevailing which from the very beginning have tried to discredit the process begun in Helsinki and to misrepresent and emasculate its

true content. The United States administration has gone from unsubstantiated assertions that increasing military power is the only way to secure peace, to the propaganda of a thesis according to which the condition for preserving peace can serve only their indisputable military superiority over all the other powers.

In search of an ideological basis for a program of expansion and world supremacy, the American ruling circles juggle often lately with "pious" phrases for propagandistic purposes, gambling on the religious feelings of believers in their country and the entire West.

This trick is not new. As far back as the 1950's, Reinhold Niebuhr, one of the founders of the so-called school of "political realism," maintained that war would return the socialist countries to the camp of capitalism, concluding from there the "moral right" of the United States to attack the USSR. "It is one logical step," this sanctimonious person decided, "from the idea of the inevitability of war to the conception of preventive war. For if we indeed do have to fight with the Russians, then why not choose the time most convenient for us to begin this business?" This is how the followers of the school of "political realism" think and the realization of Reagan's plans for "star wars" hastens the devastation of the godless communists.

Archaic religious dogmas are often used for the basis of ideology hostile to socialism and they further it through an extreme anti-social manifestation. The intentions of our class adversaries are clear: to gamble on the irreconcilable conflicts between Marxism and religion. The "Christian" advocacies of the master of White House are pursuing exactly such a goal.

During the period when the Washington administration was intensifying an anti-Soviet course, the ideological formation of the United States' foreign policy reached a culmination. R. Reagan advanced the idea of the "providential election" of the American nation to which, he says, the Most High has entrusted "humanity wretched with suffering" and which, therefore, has the right to conduct itself in world politics as it sees fit (2): to arrogantly and scornfully refuse the ratification of international treaties which have been patiently and carefully developed with the participation of the United States over many years (the OSV-2 treaty or the new code of maritime law, for example); to publicly report developing countries for not supporting Washington in the United Nations; and to lay claim to the role of world gendarme. And all this on behalf of the American people.

Last year's pronouncements of President Carter's influential aide for national security, Zbigniew Brzezinski, on the pages of the magazine TRAYALOG (TRIALOG) are symptomatic in this plan. Finishing with the division of Europe in order to "return great and immortal Russia to the bosom of Christian fellowship and a market economy" is exceptionally important for the "improvement of the moral and spiritual health" of the old continent. And he proclaims this goal as "worthy of Western democracies."

At the same time there are forces not only in politically progressive, but conservative religious circles as well, which have come out against the Washington administration's shameless speculation on the feelings of the believers.

It is sufficient to recall the pastoral message of the U.S. National Conference of Catholic Bishops (May 1983) which attracted the attention of broad circle of the American and world public. TIME magazine noted that at the conference "bishops are trying to develop a theology of peace which abandons calls to some of the fundamental prerequisites and military strategies which have stuck with all the American administrations and the majority of Western countries since the beginning of the nuclear age."

This message caused a colossal response in the United States and the White House had to express regret regarding the bishops' "fundamental error" concerning American policy. However, as developments show, it is precisely because the United States population understands too well what a dangerous path their administration has followed in military preparations, that movements are arising in the country which are similar to the campaigns for freezing nuclear arsenals or the referred-to action of the Catholic religious ministers.

Even T. Cook, New York cardinal and the Catholic military vicar of the U.S. Army, has declared the same that American believers are united as one: "The world must achieve the liquidation of nuclear weapons and, in general, all means of mass destruction."

But the Washington administration is not stopping attempts to use several ecclesiastical figures, for example, the leader of the right wing organization of Protestant fundamentalists, Pastor Jerry Falwell, in order to hinder the growth of the anti-military movement in the United States. Not only believers, but also religious ministers, including those high-ranking, actively participate in the movement today. Clerics of Falwell's type continue to claim that the main evil which should be fought against now is not the threat of nuclear war, but communism.

But it is already becoming difficult today to draw such a line. Lutheran Bishop D. Price from Minneapolis (the state of Minnesota), for example, thinks that "neither clergymen nor parishioners need spiritual leadership on the part of the White House." "Up until now, not one president," says American historian G. Kommager, echoing him, "has tried such a glaringly shameless means of presenting the government as an ally of the church. This has been a crude attempt to appeal to religious feelings." The NEW YORK TIMES newspaper wrote: "When the political leadership begins to claim that its program supports God, that is the time to sound the alarm."

The religious camouflage of Reagan's politics is causing unrest not only in church circles, but in many U.S. public figures as well. A. Schlesinger, President Kennedy's former adviser, has in particular turned to the United States' allies with an appeal to do everything to bring the "messianism" of today's White House master under control. This appeal was heard by many religious figures who are coming out against the militaristic policy of the Washington administration, including its "initiatives in the field of strategic defense."

Carlos Chagos, president of the Papal Academy of Sciences, announced in January, for example, at the press conference in Rome on the occasion of an international meeting of scholars which was dedicated to the problems of outer space armament: "I am against the militarization of outer space and the 'star wars' programs which the American leadership is developing."

Many religious figures from the United States have recently visited our country. Thus, Billy Graham, leader of the Evangelist Association of the United States and well-known Baptist preacher, said at a 1984 press conference at the Soviet Committee for the Defense of Peace: "I have come to the opinion from my trip around the USSR, that your church is patriotic and carries out work on behalf of peace. I think that broader contacts between American and Soviet people are necessary today...Much unites us all--believers and atheists--and I know if there was a survey done in the United States now, 95 percent of Americans would say that they do not want war, but want to be friends with the people of the Soviet Union. During my stay in your country, I saw that Russian people also want peace passionately."

Two hundred and sixty-six American religious figures who completed a trip around the USSR last summer also came to the same kind of conclusion. Incidentally, last year representatives of the clergy participated in approximately 220 anti-military measures both in the USSR and abroad--for example, in the international conference of religious figures and experts from 26 countries which took place in Moscow. The conference was on problems of prohibiting the use of outer space for military purposes.

Since the beginning of the 1970's, the International Institute for Peace in Vienna and the Center for the Research of Peace Problems which is affiliated with the Vienna University, have been periodically conducting meetings of Marxists and Christians. The meetings are making notable contributions to the study of possibilities for united actions against military danger.(3)

The Sixth General Assembly of the World Council of Churches (Vancouver, 1983), as well as documents adopted by the English Church of Great Britain, the National Conference on U.S. Catholic Bishops, the FRG Evangelist Church, the confessional associations of Sweden, Holland, Belgium and other countries which have condemned nuclear weapons as contradictory to Christian morals, have had a wide public response. Such statements reflect significant advances in the awareness of a wide strata of believers who are actively taking part in the struggle against the military threat.

Peaceful religious powers are represented today by such large associations as the Christian Peace Conference, the Berlin Conference of Catholics of European Countries, the Asian Peace Conference and others like secular Catholic organizations which number more than 30 today. Among them are such numerous and influential ones as Pax Christi, the International Union of Women's Catholic Organization, Pax Romana and the International Working Christian Youth.

Peace is not an abstraction, but a reality which, in the ideal, must guarantee all the peoples on earth the possibility to live under conditions of freedom, without need, deprivation, social inequity and racial oppression and under conditions worthy of man. Both Marxists and Christians possess the rich experience of conducting dialogue which does not demand that either side renounce their convictions and at the same time allows common goals to be defined, collaboration in the name of their attainment and a better mutual understanding to be reached.

"Whether there is war or not depends today on all people, irrespective of their world-view or ideological positions," a Soviet leader noted in response to Doctor E. Post (U.S.) and Doctor K. Tot (Hungary), co-presidents of the consultation meeting of representatives of the Christian churches. "We always have and always will come forth for close collaboration with all peaceful forces on earth, including religious circles which, in our opinion, can play a significant role in the matter of delivering humanity from the nuclear threat."(4)

One of the examples of such collaboration is the 1975 Helsinki Conference, the 10th Anniversary of which celebrates international community.

The April (1985) CPSU Central Committee Plenum also spoke about the importance of this event. M.S. Gorbachev, General Secretary of the CPSU Central Committee said at the time that our party proceeds from the fact that "in connection with the 10th Anniversary of the Conference on Security and Cooperation in Europe, it would be useful if, on behalf of the states which signed the concluding document, the will was expressed again in Helsinki to overcome the dangerous tension and develop peaceful cooperation and constructive principles in international life." (5)

FOOTNOTES

1. "KPSS v rezolyutsiyakh i resheniyakh syezdov, konferentsiy i plenumov" [The CPSU in the Resolutions and Decisions of Congresses and Plenums], Vol 12, Moscow, 1978, pp 31, 33
2. "Boleye podrobno sm.: Bogdanov V. Dzhikhad po-vashingtonski [For more detail see: Dzhikhad V. Bogdanov in the Washington Style] (NAUKA I RELIGIYA, 1984, No 4)-editor's note
3. "O poslednej vstreche sm.: Matveyev B. Dialog v Gamburge [On the last meeting see: V. Matveyev, Dialogue in Hamburg] (NAUKA I RELIGIYA, 1985, No 5)-editor's note
4. PRAVDA, 1985, January 6
5. PRAVDA, 1985, April 24

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CSO: 1807/092

EAST-WEST RELATIONS

BUDAPEST CULTURAL FORUM URGES EXPANSION OF INTERNATIONAL TIES

Moscow PRAVDA in Russian 17 Nov 85 p 5

[Article datelined Budapest by Pravda correspondent V. Gerasimov under the rubric, International Information: "Follow the Spirit of Helsinki: At the International Forum Topical Problems of Art Were Discussed and More Than 200 Proposals Were Made for Expanding Cultural Cooperation among the Countries That Participated in the Conference in Helsinki"]

[Text] The cultural forum of countries that participated in the Conference on Security and Cooperation in Europe that has been going on here is drawing to a close. There have been active discussions in the four working auxiliary organs (on fine and applied art, performance art, literature and acquaintance with each other's culture). Distinguished representatives of the creative intelligentsia of various countries spoke at the meetings: writers and directors, architects and workers in museums and libraries, artistic and designers, choreographers and composers, actors and literary critics. From morning until late at night there were a lot of people in the auditoriums of the Budapest congress center.

What was emphasized above all in the course of the conversations and discussions in the corridors and at the press conferences?

Topical problems of art and culture that are of real concern to the creative intelligentsia were raised. The discussions showed the effort of cultural figures to get to know each other's work better and their interest in participating in the facilitation of cultural exchange and interaction for the purpose of further developing the Helsinki process. In the presentations of representatives of the socialist countries the theme of the responsibility of cultural and artistic figures before society for the fate of the world was forcefully voiced.

The noble goals of making as large a contribution as possible to the struggle for peace, promoting the strengthening of mutual understanding and friendship among peoples and helping the revival of detente inspired the participants. At the same time, as became known, it was not possible to avoid attempts on the part of two or three delegations to divert the discussion away from the main problems facing the peoples. There were slanders and crude outbursts. As a whole, however, a positive tone was maintained.

The Soviet delegation and those of the other socialist countries showed the great depth, richness and the diversity of their cultural policy in a well-reasoned presentation, citing a great deal of factual and documentary material. In publishing books in translation, organizing exhibitions, movies, theatrical presentations and informational presentation of life abroad the

socialist countries are far ahead of the other countries participating in the forum. The Helsinki agreements are being carried out conscientiously by them.

A number of cultural figures from capitalist countries expressed alarm at the manifestations of imperialist cultural expansion and the danger of abuses in utilizing space vehicles for disseminating information not in accordance with the interests of cooperation in the cultural sphere but rather in the service of "psychological warfare," the financial pressure of monopolistic circles and poisoning peoples with the venom of chauvinism, violence and militarism.

In the course of the work of the forum, as was announced at one of the press conferences, about 200 proposals were put forward for expanding cultural cooperation and organizing new forms of cultural links. During the remaining days these proposals are to be summarized and analyzed and the most realistic and useful of them selected. The spirit of Helsinki, of a constructive approach, responsibility and realism, the promotion of generally acceptable solutions that serve the growth of international cultural exchange and not its curtailment, the development of ties and not discords should prevail. The cultural forum is called on to make its contribution to strengthening the ideas of peace, antimilitarism, social progress and friendship among peoples.

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CSO: 1807/117

EAST-WEST RELATIONS

BOOK REVIEW: GOLD IN MODERN CAPITALIST ECONOMY

Moscow FOREIGN TRADE in English No 10, Oct 85 pp 36-41

[Article by Boris Mayerov: "Gold in Modern Capitalist Economy"]

[Text] New studies and publications on international monetary problems have enriched Soviet economic literature in recent years. Important changes have been taking place in monetary and financial relations, payments and credits, with new institutes, concepts and phenomena mushrooming. These processes are very contradictory and complex; some problems are ambiguous and baffle clear-cut prognostication. As participants in the international division of labour and international economic exchange the Soviet Union and other socialist community countries cannot be indifferent to further developments in this field which call for a thorough investigation and analysis of these phenomena.

The book Gold in Modern Capitalist Economy by S. M. Borisov occupies a noteworthy place among other publications and monographs. This is the second, revised and enlarged edition of the book by the same author originally printed by Finansy Publishers back in 1968.

This fundamental work covers a wide range of problems and topics; it contains an interesting scientific analysis and reviews which warrant a closer look and more detailed comments.

The first chapters of the book deal with the basic phases and nature of state monopolistic interference in the sphere of gold. The author traces the main stages of the process which resulted in the appropriation of all national resources of gold by the bourgeois states, in its actual deprivation or withdrawal from private use as a currency. Shortly after the outbreak of the First World War in most countries gold was no longer exchanged for paper money in circulation at home. In later attempts to restore the normal functioning of their money systems many states resumed exchanges of banknotes for gold, but the process of "gold privatization" was short-lived and was no longer accompanied by a return to gold circulation as a system of home currency.

The lack of the necessary economic conditions and prerequisites prevented capitalist countries from building a stable, smoothly functioning money and currency mechanism. A strong handicap was the very uneven distribution of gold reserves among countries.

After the end of the Second World War (late 1945) U.S. gold reserves exceeded those of all other Western countries 1.5 times. At that time the USA undertook to buy from and sell gold to the official monetary authorities of other countries at a fixed price. Among other things it enabled the USA to win a privileged status and a special role for the US dollar without which it could not be expected to accomplish the functions of a payment and settlement means or act as an international reserve unit. In a relevant agreement on the International Monetary Fund (IMF) the U.S. dollar was equated with gold. The agreement stated that the IMF member-countries should fix the parities of their currencies in gold or in dollars, on an equal footing.

The author justly points out that it was a clever, long-range strategy of the U.S. financial oligarchy designed to play a very important role in the subsequent re-alignment of world capitalist forces. Moreover, there is every ground to believe that even today, several decades after, when the U.S. dollar is no longer exchangeable for gold and there are no gold or dollar parities this strategic manoeuvre of American imperialists is helping (a sort of continued momentum) the USA to exercise its monetary and financial diktat with regard to its partners in the capitalist world.

In his analysis of the withdrawal of gold from circulation as a national currency the author points out that its bulk was still in private possession in the form of treasure. The essence of this process (storing of gold), says the book, is that, despite the non-circulation of gold coins as a domestic currency and the prohibition to use them for international settlements private owners continued to hoard and amass gold, turning part of their money capital and savings into gold. In the author's opinion privately-owned gold is only a passive means of insurance against the inflationary devaluation of paper money. Referring to Karl Marx, he indicates that this has never been intended as a function of the real, circulating money. On this point he concludes that the privately amassed gold is no longer a monetary metal and does not fulfill its earlier functions of real money. Nevertheless, he makes the following interesting point: "In the private sphere it is used and circulated as a commodity, an unusual and specific commodity carrying imprints of the properties and peculiarities of the former money material..." (p.69). Unfortunately, however, he has failed to give details of gold as a commodity, or of "the imprints of properties and peculiarities of the former money material" it has retained, how these are manifested and their real effects.

The book expounds an important thesis to the effect that in different periods the concentration of gold in the hands of the state and its centralized use through interstate channels helped monopolistic capital deal with arising problems and provided more favourable conditions for participation in world reproductory processes.

The author indicates that the attempts of bourgeois states to concentrate gold in their hands led to the interstate exchange of a considerable part of the newly-mined gold as well as the gold re-distributed between government monetary agencies. As a result, an interstate gold market has emerged open exclusively to central banks, treasury departments and other similar government institutions and closed to private persons and firms. The bulk of operations with

monetary metal was handled by the USA as the official price of gold was set in U.S. dollars and the USA acted for a long time as the major centre of interstate gold trade. And though in later years the situation changed and New York is practically no longer the seat of interstate gold trade, some 11,000 tons of foreign gold are kept in the USA which by far exceeds the country's own gold reserves.

It is important to note that the hopes of the capitalist governments that the re-emergence of private gold markets in the early 1950s would cause no problems for the interstate gold exchange were not justified. Initially, it was thought that these markets would be restricted and subordinate, but the sharpening of the world monetary crisis, writes the author, necessitated urgent government measures to regulate them. Putting these measures into effect, however, proved extremely difficult. The USA could not do this alone because its attempts to stabilize the free gold markets involved considerable spending of its own gold reserves, while the gold reserves of other Western countries were noticeably accumulating. The "gold pool" set up later for stabilization purposes was active only for a few years. In the spring of 1968 it ceased to exist because of the inability of its member-states to maintain lower prices for gold on the free markets. The author is right in claiming that "the collapse of the 'gold pool' was a turning point in international gold exchange" (p. 92). As the result, a "two-storeyed" market had formed where the state-controlled trading in gold at the so-called official price was completely isolated from the free trade in it. The official monetary agencies were forbidden to buy gold from the free markets, including the newly extracted. As a result, the total volume of centralized gold reserves was in fact "frozen" which may be regarded as the first step in the U.S. gold "demonetizing" policy. However, the expectations of the U.S. administration that the above measures would shorten the gap in free and official gold market prices proved absolutely groundless and the USA ended up by renouncing its obligation to sell gold at the official dollar price to authorized agencies of other countries by interstate settlements. The "two-storeyed" market had flopped; it was even a shorter-lived venture than the "gold pool". The resultant situation meant another step towards gold demonetization as the U.S. dollar had in fact lost direct touch with gold.

It ought to be admitted that this circumstance played an extremely important role and had serious implications for the further functioning of the entire Western monetary and financial mechanism. The author is correct in pointing out that "a whole historical phase of state monopolistic interference in the sphere of gold has come to an end..." (p. 99). He writes: "...success has not attended the attempt to maintain a uniform and invariable price for gold to use as metal money. Developments showed that U.S. politicians overestimated the power and potentialities of state regulation in this matter.... Thus, the world price of gold spontaneously found its more realistic expression in free market quotations...." Then, he continues: "...the major set-back of state monopolistic regulation in the sphere of gold was that the mechanism to use gold as metal money for international settlements, for whose sake a long and complex series of arrangements to place gold under state control was undertaken, has, in fact, fallen to pieces.

"in the early 1970s gold's non-functioning as part of the international settlements mechanism was an accomplished fact." (pp. 99-100).

The book deals with problems concerning state reserves of international payment resources. It points out that one of the sources of foreign exchange is a state's commercial or investment activity abroad. Up to recent time, however, the major source of foreign exchange has been a state's centralized gold reserves. The author has the following to say on this point: "It is for the sake of this source that the state monopolistic complex sought at a certain state of development to monopolize the use of gold as metal money and to amass as much of it as possible. And even now that the public reserves of gold have been immobilized by the demonetization policy the official authorities' most reliable source of foreign exchange is gold" (p. 144).

It seems to us that the "immobilized" reserves can be interpreted differently. The author says that "the available monetary gold is kept in state treasure houses as dead weight and is no longer used as a general payment vehicle" (p.153). Indeed, save for a few exceptions monetary gold is not directly used in present-day conditions for international settlements and payments. But, on the other hand, if gold as a component of the gold and currency reserves of Western countries and a number of international organizations in the West continues, according to the author, to be a most reliable source of foreign exchange, why then the "dead weight"? If it were really "dead weight" the countries would have done their best to get rid of it. But they have not. On the contrary, any Western country, especially with a large foreign debt, would be happy to possess gold and use it in the final analysis as a general payment vehicle.

It is common knowledge that monetary gold as before is taken account of when assessing the so-called international foreign exchange liquidity. An essential point ought to be mentioned here. When analysing this problem it would seem wrong to simply add up arithmetically the figures characterizing the monetary stocks of gold and the foreign exchange reserves. It would hardly be justified economically or otherwise due to the inflationary devaluation of practically every Western currency to formally equate gold and foreign exchange despite the fact that the U.S. dollar continues to be the major currency among them all and the fact that gold reserves are assessed by the capitalist states and re-assessed using different techniques as the free market prices change.

In a retrospective review of monetary gold the author points out that in the last decade the policy to minimize its use as money "has sharply narrowed down" its uses for acquisitions of foreign exchange. He draws attention to the following significant point: "...potential possibilities for mobilizing foreign exchange through this channel still exist" and "despite some formal restrictions and given the will the available metal can be easily sold through a ramified network of gold markets..." (p.149).

The author repeatedly stresses the non-monetary nature of current operations with gold which take place as if outside the economic processes of modern

capitalist economy. The international exchange of gold is effected through a system of gold markets as acquisitions and sales for unchangeable paper money and irrespective of the sources from which gold gets to these markets it ends, as a rule, by landing into private hands. In this context gold no longer fulfills the function of a general payment vehicle of world money because international payments and final settlements are made through a transfer of national currencies unchangeable for gold. "This principled transformation of the process of international gold circulation," writes the author, "makes the entire currency structure of modern capitalism much more unstable" (pp. 162-163).

It is an open secret that not one of the Western currencies can be called a general payment vehicle. Basically national currencies are unstable, and because their stability and acceptance for international settlements are contingent on internal and external factors, Western countries make resort to such international payment substitutes as SDR, ECU, etc. In this connection, it is appropriate to mention, for example, that ECU based on a currency basket has not lost contact with gold. By virtue of its universality gold may be used, under certain conditions, for a general payment.

A very important and difficult problem is the price for gold. Says the author: "...Western states have renounced gold as the basis for a money economy legislatively having, in fact, equivalized it legally with a commodity as was the case in the past with silver" (p. 184). One may agree with this wording of the concept or not, except that it may be noted here that both silver and gold are the products of labour. In our opinion, however, a scientifically substantiated answer ought to be given to the following obvious question: if silver was superseded by gold as the "basis of money economy" what has superseded gold in this quality? What now fulfills the function of the cost-value yardstick, of the general equivalent of goods? The author gives a straightforward answer to this question. He says that in the past the "absolute antipode" to all goods was in all cases monetary gold; today this role is played by credit-paper money because "only this money takes care of all processes related to the movement of goods, capital and services at all stages of capitalist reproduction; this money is the antipode of all commodities, including gold, and all commodity prices, including that of gold, are expressed in terms of this money" (pp. 167-168).

It seems that the question still remains open. Indeed, it is not clear how unchangeable paper money which is not a commodity and, therefore, has no value of its own, can fulfill the function of the cost-value yardstick, of a general equivalent.² The book fails to give a substantiated and well-argued answer to this question.

True, the author dwells at length on the concept of paper money price scale and the system of paper money circulation in which commodity prices measured in terms of the paper money scale and realized only in paper money are abstracted from their cost-value content. The author writes: "The progressing atrophy of the official scale as a factor of contemporary price formation served as the objective basis for doing away with it by Western countries when demonetization was launched" (p. 172). Maybe on the surface it does look

as if the "official scale" "has been done away with." Probably the explanation is self-evident, but not convincing enough. It seems the point needs further study.

Much space is given in the book to a review of various aspects of gold market prices. The author points out that the growing inflation to a large measure "makes the money capital owners in their attempts to avoid inflation losses turn to more reliable and stable values of which gold is the principal one" (p. 199), that in certain situations "money owners seek to be on the safe side by turning to the most reliable stock--the golden calf..." (p. 206) thus reaffirming that gold, even as a commodity is a "special" form of goods.

Pointing out that under the present-day conditions state gold reserves are hardly used by the countries for international settlements, the author draws attention to a different approach to this matter by the USA and its allies. Says the book: "...the relative stabilization of the official gold reserves is proof that most Western countries though paying lip-service to the slogan of 'demonetization' have not followed the recommendations of the USA and the IMF to sell the available gold reserves. True, the state authorities do not increase their gold stocks, but they do not want to lose them either, keeping them, as before, for an emergency.... This is why in their striving to capitalize on the available gold stocks without letting them go some countries resort to various tricks to obtain the required foreign exchange for gold without losing the right of ownership" (p. 299).

The situation deserves a closer look. It may be inferred in the first place that gold's loss of all its classic functions is not so much the invariable result of the historical process as of the deliberate policies and action of the USA which is better equipped in these conditions to exercise freely and effectively its policy of dollar diktat both in the political and economic spheres in respect of its partners, bearing in mind the noticeably increased financial leverage of the U.S. foreign economic policy machine at the present-day stage. It is not accidental, therefore, that the U.S. monetary and financial policy, including gold, is reacted to in most leading Western countries, to put it mildly, without enthusiasm.

The European Currency Unit (ECU), which many EEC countries expect will help them under certain conditions to oppose U.S. monetary expansion and be a sort of counter-balance to the U.S. dollar, is related to gold. Unlike the U.S. dollar which has long since lost touch with gold, the ECU is supported by it. Though the latter legally belongs to the signatories of the European Monetary Cooperation Fund (EMCF) it is supposed, according to the founders of the Fund, to make the ECU a stable and reliable currency. At least two conclusions may be drawn from this. Firstly, the EMCF member-countries do not wish to legally give up even a part of their gold reserves in the belief that gold has not been turned into a routine commodity by the demonetization policy and will retain in the future certain functions as an element of the international monetary system, even if a regional one. And, secondly, having deposited a part of their gold reserves with the EMCF, its signatories re-affirm their belief that in present-day conditions gold remains the sole general, internationally-accepted potential payment vehicle.

Writes the author: "The volume of gold reserves depends on the constantly fluctuating market which adds instability to the functioning of the Western monetary system" (p. 301). Thereby he admits that today gold, at least indirectly, is still present in the arsenals of the international monetary system of the West. And, indeed, if gold were today just a routine commodity why should the changing volumes of its state reserves affect the functioning of the Western monetary system?

A special chapter deals with gold's part in the functioning of the international monetary system. It treats, specifically, the U.S. policy to demonetize gold, to deprive gold of its functions as the basic element of the Western monetary mechanism and "reduce it to the status of a standard commodity."

Pointing out that the loss by gold of its monetary functions as they are formulated in the IMF Charter is an accomplished fact, the author draws attention to the wide heterogeneity of the contemporary capitalist money structure which is an important reason for the increased instability in the monetary sphere. "This structure," he opines, "is fertile breeding ground for currency crises--a variety of money crises, which though not always a product of the capitalist reproduction processes lead nevertheless to their complication and distortions" (p. 386).

Theoretical concept of a currency crisis in the conditions of imperialism is a subject of its own requiring special study. But considering its importance for understanding the currency structure of modern capitalism I would like to express my opinion that a currency crisis is part of the general crisis of capitalism in the sphere of international monetary and financial relations; it has become a chronic, insurable sickness. A product and a manifestation of the general crisis of capitalism, in its turn, it deepens the general crisis. Obviously, a currency crisis cannot be treated today as an isolated phenomenon independent of the deep-seated processes of capitalist economic development, as recurrent phenomena of the monetary and financial relations alone. Aggravations of the currency crisis even when they occur in relatively favourable economic situations are finally rooted in the sphere of production, in the changing alignment and balance of forces in the capitalist world. Processes which directly occur in the monetary and financial sphere cannot be the sole explanation, for example, of the Bretton Woods system coming to a near collapse.³

The final chapter deals with the present and the future of gold. In his analysis the author points out that gold is no longer a yardstick of cost-value and a price scaler; neither it is a currency, a payment vehicle or world money. "It no longer fulfills the economic purpose of auxiliary source of national and international money circulation..." (p.433). The loss by gold of all its properties of a money commodity is a "real fact." Now what is the "new economic status of gold?" According to the author "gold retains and will obviously continue to retain for a long time the reputation of a 'special' goods, that of the former money commodity" (p. 435) and is seen, in the author's opinion, in the two forms of its uses--storing in state reserves and accumulating in private treasure funds.

The author holds that "it is hardly worthwhile to accentuate what remains and what may continue to be in evidence of gold's former money functions" and "it would be much more useful and productive to delimit in a clear-cut fashion the objects and methods of investigation and keep on studying gold as ex-money, and credit-paper money units as money of today and tomorrow" (p. 459). Pointing out that "Marxists-economists have not yet found satisfactory, scientifically-substantiated answers to many vital problems related to contemporary capitalist money..." the author maintains that "the discussions of such fundamental concepts of political economy as the yardstick of cost-value, the general equivalent, the price scale, etc, becomes to a large extent meaningless if it is by all means tied up to the phenomenon of gold" (P. 460).

One cannot agree more with the author that many aspects of this problem need further study and that Marxists-economists have not yet found scientifically substantiated answers to many questions. It may be explained in the first place by the complexity of the subject which is a most difficult theoretical issue of the contemporary political economy of capitalism. Finally it appears premature at this stage of research to exclude any aspects of the problem from future analysis.

FOOTNOTES

1. S. M. Borisov, Gold in Modern Capitalist Economy, Finansy i Statistika Publishers, Moscow, 1984 (in Russian).
2. For more details turn to the article "International Monetary System of the West and Gold" (Money and Credit, 1974, No. 1).
3. Foreign Trade, 1952, No 9 (in Russian); Money and Credit, 1974, No 1; World Economics and International Relations, 1976, No 8; and Foreign Trade, 1976, No 9.

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English translation, "Foreign Trade", 1985

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CSO: 1812/48

SOCIALIST COMMUNITY AND CEMA AFFAIRS

CEMA COOPERATION IN FLEXIBLE PRODUCTION SYSTEMS

Moscow EKONOMICHESKAYA GAZETA in Russian No 44, Oct 85 p 22

[Article by V. Kalachev, Ye. Khobotov and M. Shmidt, scientific associates at the International Scientific Research Institute for Problems of Management, under the rubric "CEMA: Intensification in Action": "Intensification and the Introduction of Flexible Production Systems"]

[Text] As was noted at the Moscow Economic Summit Conference of the CEMA Member Countries, the leading edge of economic strategy at the present stage and in the foreseeable future is the acceleration of scientific and technical progress and the fastest possible introduction of the latest scientific and technical advances into production. The socialist fraternal countries assign an exceptionally important role in the accomplishment of this task to machine building--the most dynamic branch of their economies. After all, it is machine building that is called on to accomplish the technical reequipping of all branches of the economy and the systematic and broad-scale, comprehensive automation of industrial production, including the introduction of flexible production systems (FPS's).

Flexible production systems, it was stressed at the 40th meeting of the CEMA Session, which was held this June, are of special importance to the intensification of production and the rapid and continuous updating of all branches of the economy on the basis of present-day scientific and technical advances.

The CEMA countries are concerting their efforts in order to achieve success in the development of flexible automated production systems in the shortest possible time. This was the purpose for which they signed, at the 40th CEMA Session, a General Agreement on Multilateral Cooperation in the Development and Organization of the Specialized and Cooperative Production of Flexible Production Systems for Machine Building and Their Broad Introduction in the National Economy. The agreement indicates that the contracting parties will concert their efforts to organize the specialized and cooperative production and introduction of flexible systems for various technologies: mechanical machining, sheet-metal stamping and die forging, foundry production, the assembly of machine-building products, arc welding, electrothermal and plasma machining, the manufacture of electrical-engineering products, resistance spot welding, assembly operations in automotive manufacture, painting, and the manufacture of electronic products.

Provision is made for the development and creation of the latest technological equipment, industrial robots, automated transport and warehouse systems, automated designing systems and automated systems for the management of the preparation of production, as well as the management of technological processes, automated monitoring and technical diagnostic systems, and instrumentation and software.

In order to make cooperation more effective, it is being organized according to the comprehensive principle, i.e., it is supposed to encompass all stages of reproduction: research, design and experimental work, the process of putting items into production, the specialization of production and establishment of cooperative production arrangements, marketing, assembly and adjustment, repair and maintenance, and the training of personnel. When necessary for the solution of important individual problems, it has been deemed advisable to form temporary collectives of specialists and joint design bureaux for developing individual components of FPS's.

On the basis of standardized machinery units, assemblies and parts developed in the CEMA countries, joint work will be done to develop individual types of equipment and entire production systems. In this connection, one important and high-priority task is to develop and approve standards in the area of flexible production systems.

The agreement devotes a great deal of attention to the quality and technical level of the items that are produced and delivered among the CEMA countries. It states directly that in developing and producing them the countries are supposed to proceed on the basis of the trends in scientific and technical progress that is occurring in the world and to take the requirements of importers into account.

At present the CEMA countries and Council agencies are carrying out a number of measures to implement the General Agreement on FPS's. A comprehensive organizational plan for the performance and coordination of work called for in the general agreement, and a set of regulations on the coordinating council for FPS's and industrial robots were approved in early October of this year at a meeting of the CEMA Committee on Cooperation in the Area of Machine Building. An important place among the specific measures for concerting efforts in solving this major scientific, technical and production problem is being assigned to the conclusion of bilateral and multilateral agreements (contracts) among agencies and organizations of the countries that are parties to the agreement providing for the execution of specific work and specifying schedules and the parties responsible for carrying out work.

Cooperation among the CEMA countries in the development, introduction and operation of FPS's is based on the experience they have accumulated in this area.

In the People's Republic of Bulgaria eight FPS's have been introduced into production. An engineering (introduction) organization known as Tekhnoinvest has been established that studies the advisability of using FPS's in specific enterprises and concerns itself with the provision of complete sets of

equipment and the introduction of standardized designs. In the Bulgarian Academy of Science's Institute of Technical Cybernetics and Robotics, a family of standardized control systems for FPS's has been developed using microprocessor technology. A flexible automated shop has been established at the Beroye Research and Production Combine (in the city of Stara Zagora) for the mechanical machining of parts and assemblies of industrial robots.

In the Hungarian People's Republic 10 flexible production sectors were in operation as of the beginning of 1985, including one at the Chepel Machine-Tool Plant. A great deal of attention is being given to the development of automated monitoring and diagnostic systems and systems for the transportation of parts and tools. In the opinion of Hungarian specialists, this will make it possible to move on to the development of fully automated production processes.

In the GDR as of mid 1985 about 50 different FPS's were being used at combines for machining revolving elements, base members and spur-gear wheels. For 14 years now the Prisma-2 FPS for the mechanical machining of prismatic parts has been successfully operating at the chief enterprise of the Machine-Building Combine imini F. Hekkert (in the city of Karl-Marx-Stadt). At the enterprise it is planned to put a FMS-1000 FPS into operation at the beginning of 1986; it will include six "machining centers" and seven machine tools with numerically programmed control. Intensive work is under way in the area of the automation of designing, the creation of control systems, the development of software, and the automation of assembly processes.

In the Polish People's Republic flexible automation has been under development since the 1970s. Thus, in 1977-1979 three automated production systems for the machining of base members and parts of the revolving-element type were developed. At the present time, seven FPS's, including a modern PC-200 FPS for machining chuck parts that consist of revolving elements with teeth, have been introduced in production. Work is being done to develop an automated production management system utilizing microprocessor technology and systems for automating the designing of parts.

In the Socialist Republic of Romania work has also been launched to introduce FPS's, the first of which was put into operation in 1979 by the Bucharest Research Institute for Automation.

In the USSR, FPS's for the machining of base members and revolving elements are being widely introduced. Work is being done to develop FPS's for galvanizing and grinding and forging articles. Thus, an FPS for the machining of base members has been created at the Vilnius Zalgiris Machine-Tool Plant. It includes six machine tools with numerically programmed control. Labor productivity has risen by a factor of 3.2. By 1990 the creation of about 2,000 FPS's is envisaged in the USSR, including fully automated production sectors, shops and plants.

In the Czechoslovak Socialist Republic, systematic work is under way to create FPS's at machine-building and electrical-engineering enterprises. The first stage of work was completed in 1977 with the introduction of standardized

integrated production sectors (IPS's) at a number of enterprises. In 1984 the second stage was completed with the creation of an IPS with a higher degree of automation and a smaller share of human labor in the technological process. As of the beginning of 1985, 36 IPS's were in operation in Czechoslovakia. At the TOS Gostivarz Plant an IVU-500R IPS for machining revolving elements was introduced in 1981, and an IVU-200N IPS for machining very small revolving elements was introduced in 1984. At present, work is being done to develop a new IPS, and long-range work is under way on the integration of all IPS's in a single automated production system.

The experience that the socialist countries have accumulated in the operation of FPS's shows that their introduction helps raise labor productivity by a factor of from 1.5 to 4.0; that the utilization of equipment increases to 17 to 20 hours per day; that the time required to introduce an FPS is from 12 to 30 months; and that it takes from 1.5 to 3 years to recover investments in them.

In conclusion, we would like to note that implementation of the General Agreement on FPS's will help further improve the structure and raise the technical level of the participating countries' economies and help shift them to an intensive path of development.

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CSO: 1825/19

SOCIALIST COMMUNITY AND CEMA AFFAIRS

COOPERATION WITH POLAND IN SHIPBUILDING

Moscow EKONOMICHESKAYA GAZETA in Russian No 37, Sep 85 p 20

[Interviews with the USSR deputy minister of foreign trade, V. N. Sushkov, the trade advisor and minister plenipotentiary of the Polish embassy in the USSR, V. Shimchak, and the general director of the All-Union Foreign Trade Association SUDOIMPORT, O. S. Kropotov; published under the title: "USSR and Polish Cooperation in Shipbuilding" and under the heading: "In the CEMA Countries"; dates, places, and names of interviewers not given]

[Text] Recently, an agreement was concluded between the USSR and Poland on cooperation in shipbuilding and in reciprocal deliveries of ships and shipboard equipment for the period 1986-1990. This is the largest shipbuilding agreement in the whole history of Soviet and Polish trade and economic relations.

The partnership of the two countries in shipbuilding is discussed in the interviews published below.

V. N. Sushkov: First of all, I wish to point out that Soviet and Polish economic relations are being fruitfully developed in all aspects of the national economy. The total trade turnover between the two countries reached 11.4 billion rubles in the past year. The USSR delivers to the Polish people a variety of machines and equipment, fuel, raw materials, and materials. In Poland, right now, more than 150 large industrial enterprises are operating which were built with the assistance of the Soviet Union and fitted out with equipment bearing the label "Made in the USSR". In our partnership, the processes of specialization and cooperation within the CEMA framework and also direct communications between similar industrial enterprises are playing an ever-growing role. In the current year the total of our trade will reach nearly 12 billion rubles.

Today our economic cooperation is characterized by a steady growth in scale and by the application of many-faceted and ever more profound and effective forms. It is targeted on cooperative participation in the realization of large national economic goals. This is the strategic course. The recently signed agreement is one of the important stages in the realization of those goals.

The total cost of the ships and shipboard equipment which Poland will deliver to the Soviet Union in the forthcoming five-year plan will exceed three billion rubles. This will amount to approximately 20 percent of our imports of machines and equipment from Poland in the years 1986-1990. The new agreement provides that Polish shipyards will build for the Soviet Union a variety of fishing, seagoing, and scientific research ships and also drilling platforms for the extraction of oil and gas on the continental shelf.

Many deliveries will be carried out within the framework of specialization and cooperation. Thus, the Soviet side will export to Poland numerous sets of articles, spare parts, instruments, and much other equipment necessary for fitting out the ships. A significant part of the Soviet deliveries will be navigating equipment.

I wish to point out that, right now, both our countries are paying special attention to the demands which dictate the need to accelerate scientific and technical progress in shipbuilding. Soviet and Polish engineers are actively conducting joint work on a comparative analysis and determination of the types of marine engines which can, in equal measure, satisfy the prospective needs of the partners. It also is planned, on the basis of close industrial cooperation, to organize the production of engines of unified dimensions.

Naturally, the Soviet Union and Poland are giving special attention to reciprocal deliveries of ships and various sets of shipboard equipment complying with the strictest demands of scientific and technical progress. Thus, the measures of the Long-Term Program for the Development of Economic Scientific, and Technical Cooperation between the Soviet Union and Poland, for the Period up to 1990 which was signed last year in Moscow, are being put into practice.

It can be said with confidence that close cooperation and purposeful consolidation will enable both states to successfully make new large advances in production and scientific progress in such important branches of the national economy as shipbuilding; and the recently signed agreement will become a large step along the way to comprehensive improvement of their trade and economic relations which always have been based on the firm principles of mutual assistance, mutual gain, respect, and sovereignty.

V. Shimchak: To begin with, I would like, briefly, to tell about the history of Polish shipbuilding. Right after the conclusion of the War, energetic work on the development of the maritime economy of Poland was begun. Great efforts were required for the restoration and rebirth from ruins of the complicated port and shipbuilding complexes. The Soviet Union gave much assistance in this.

In 1949 the first Polish ship, "Stanislav Sodek", was built and a year later an exact copy of it, the ore and coal carrier, "Pervomaysk", having a displacement of 2,500 tons was ceremonially delivered to Soviet clients. From that moment the account of our cooperation in shipbuilding begins.

In the 1950s, Polish shipyards delivered to the USSR primarily ore and coal carriers, colliers, coastal ships, and trawlers of small displacement. Over time, the kinds of ships changed. Their technological and operational parameters were raised, and their designs improved. Nowadays at Polish shipyards, ships of various types are being constructed to Soviet orders; for instance, timber and packetized-cargo carriers, refrigerated ships, container ships, scientific research ships, fishing ships, and passenger ships.

Ships and other floating equipment for the exploration and production of oil and gas in the "Shelf" program also comprise an important part (firefighting ships, ships for supplying offshore drilling rigs, and others). Ships with displacements of several tens of thousands of tons are being ordered.

Poland occupies an important position in world shipbuilding. To build larger ships more rapidly, and of the best quality, is the motto of the Polish shipbuilders.

It is generally known that Poland is a leading producer of seagoing ships, but the Soviet Union, a powerful maritime state, is the largest buyer of them. The Polish "shipbuilding specialty" within the framework of the international socialist division of labor has emerged precisely as a result of the stable long-term orders of the Country of the Soviets and the formation of present day Polish shipbuilding.

Not only the long-term nature of Soviet orders, but also their mutually beneficial character should be especially emphasized. As is well known, shipbuilding in the capitalist countries has been in extremely poor condition since the middle 1970s. It is enough to point out that even in Japan - the leading producer of ships in the capitalist world - because of the crisis, was forced to reduce its export of ships from 13.9 million gross register tons in 1975 to 3.4 million in 1980, or by a factor of more than four! Meanwhile, the prices for traditional types of ships fell sharply. On the other hand, the deliveries of Polish ships and shipboard equipment to the USSR in the period from 1976 to 1980 increased in comparison to the previous five-year plan by one fourth, and the price for our production was stable and not subject to market fluctuations.

As the result of the crisis in the capitalist market for ships, many large shipyards are closed and others are threatened with closure. The portfolio of orders for Polish shipyards is still not empty, and shipbuilding, because of the collaboration with the Soviet Union, is one of the most important branches of the national economy which has a reliable future.

And there is still one more aspect of no small importance. When, at the beginning of the 1980s, the Polish economy suffered a crisis for well-known reasons, several western countries stopped the delivery to Poland of specific articles being acquired for shipbuilding. This, to be sure, could not but have a negative effect on the work of the Polish shipyards. But then Polish and Soviet specialists took joint measures aimed at providing for deliveries of the mechanisms and parts and also of materials of Soviet and Polish production with which the similar equipment, purchased earlier in

capitalist markets, was replaced. This strengthens the technical and economic independence from the West of Polish shipbuilding.

Thus, Polish and Soviet collaboration permits solving important national economic problems which arise along the way of the development of the Polish nation. The mutually advantageous partnership in the field of shipbuilding is well confirmed. A new and dramatic example of this is the conclusion of the recent agreement.

O. S. Kropotov: The Soviet and Polish collaboration in shipbuilding is deepening and broadening at a rapid rate. It is sufficient to say that over the extent of the whole postwar period the Soviet Union has remained client number one for Polish shipyards. Over 800 ships of 50 different kinds with a total tonnage of 5.5 million tons were built at the shipyards in Gdansk, Gdynia, and Shchetsin according to contracts with our association. Now they are successfully carrying out their duties under the Soviet flag. From the ports where they are calling, the maritime transportation communications of our country can be studied. Of no small importance is another thing; ships built by the skilled hands of Polish shipbuilders are always distinguished by good and reliable qualitative indices. Positive testimonials by Soviet seamen about Polish ships repeatedly are published in the press.

Poland has first place among the many countries in which SUDOIMPORT places its orders for ships. Thus, in the past year, ships and shipboard equipment were imported by us in an amount exceeding 2 million rubles which includes, for that from Poland, the sum of 286 million rubles. Practically, one seventh of all the transportation equipment imported by us today is of Polish production.

It should be noted that the importance of Poland as a supplier of seagoing ships for the Soviet market is growing from five-year plan to five-year plan. And here I would like to say that those contacts which have been formed by SUDOIMPORT with the Polish foreign trade organizations TSENTROMOR and NAVIMOR have contributed to this in many ways. Many complex problems of collaboration - in our business there are many of them - have been solved jointly. In such cases, the principles on which a partnership between organizations of socialist states always has been based; namely, friendship and mutual assistance, are of much help to us.

The Soviet Union itself, as is well known, has a powerful shipbuilding industry.

Naturally, Soviet shipbuilders in their turn, make substantial deliveries to Poland of ships and shipboard equipment of various types. These, in particular, are maritime salvaging and floating cranes, river dredges, and other vessels. In addition, the Polish passenger fleet receives from our country many of the seagoing and river hydrofoil ships which are so popular in the world. The new agreement provides for continued deliveries to Poland of these kinds of ships and a number of new ones; for example, ships for cleaning the water areas of ports and coastal zones and ships for the

collection of oil from the surface of the sea, and others.

Special attention is being given also to questions of specialization and cooperation in shipbuilding on a bilateral basis as in the framework of CEMA.

The close economic, scientific, and technical collaboration of the USSR with Poland and other countries of CEMA both on a bilateral and multilateral basis, and the specialization and cooperation between them, assist partners to improve shipbuilding methods, contribute to an increase in the productivity and profitability of the work of the shipyards and to more efficient use of the labor forces and equipment in the construction, planning, and design of modern ships.

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CSO: 1825/003

SOCIALIST COMMUNITY AND CEMA AFFAIRS

SOVIET EXPORTS OF FOREST PRODUCTS

Moscow FOREIGN TRADE in English No 10, Oct 85 pp 43-45

[Article by Vsevolod Volkov, Cand. Sc. (Econ.): "Soviet Exports of Forest Products"]

[Text] Drawing on its vast forest resources, the USSR has set up a well-developed timber-industrial complex with a reliable raw material base and a manufacturing industry sufficient to process it, thus allowing for obtaining considerable volumes of timber. The complex continues to be of great importance for the country's economy despite the out-stripping development of new industries such as mechanical engineering, electronics, chemistry, and so on.

In the complex itself there is an ever greater increase in timber processing while the volumes of round wood removals being stable or even showing a certain decline (in 1984 the country produced 280 million cubic metres of industrial round wood as against 313 million in 1975). This means that a transition is taking place to an intensive phase of development on a new technical basis in both the new remote and traditional areas of timber production and more efforts and resources are being geared to ensure the most effective use of this raw material.

The switching of the timber-industrial complex to an intensive path of development stabilizes not only timber production but also the output of products with a primary degree of processing, such as sawn timber and to a lesser extent plywood. The accelerated increase in the production of their substitutes, wood fibre and particle boards, and of pulp-and-paper products shows that processes are under way that are connected, above all, with the ever fuller and integrated utilization of the raw material. This meets the economic task of making fuller and more effective use of the available reserves. In the 12th five-year plan period (1986-1990) this tendency will continue to increase.

Output of Wood and Paper Products in the USSR

	<u>1975</u>	<u>1980</u>	<u>1983</u>	<u>1984</u>
Sawn timber, min m ³	116.2	98.2	97.0	—
Plywood, '000 m ³	2,196	2,022	2,103	--
Fibre boards, min m ²	409	469	502	--
Wood particle boards, '000 m ³	3,996	5,118	5,779	--
Pulp, '000 t	6,815	7,123	7,213	—
Paper, '000 t	5,215	5,288	5,667	5,840
including: Newsprint '000 min m ²	26.3	30.0	31.6	32.1
Cardboard, '000 t	3,368	3,445	3,889	—

Integrated processing of wood reduces production costs and helps create commodity reserves most rationally meeting the economy's internal requirements and at the same time broadening the range of export forest products.

The structural changes in the Soviet export of forest products are seen, primarily, in the stabilization of and even some reduction in shipments of goods with a low degree of processing and a simultaneous rise in the export of pulp-and-paper goods and other timber products with a high degree of processing.

This notwithstanding, the USSR continues to hold strong positions in the export of sawn timber, where its share in the world trade exceeds 10 percent, as well as in the export of industrial round wood, while for pulp-and-paper goods its share is still at a relatively low level (under five percent).

Exports from the USSR

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Saw logs, min m ³	6.5	6.2	6.2	7.4	7.7
Pulpwood, min m ³	5.7	5.8	5.4	6.3	6.7
Sawn timber, min m ³	7.1	6.9	7.2	7.3	7.2
Plywood, '000 m ³	314	324	336	328	317
Fibre boards, min m ²	91	96	83	79	77
Particle boards, '000 m ³	332	362	334	328	348

Furniture, min rubles	26	28	24	20	23
Pulp, '000 t	821	824	888	1,011	1,010
Paper, '000 t	647	659	691	669	674
Cardboard, '000 t	322	388	325	365	372

The European countries are among the major importers of Soviet sawn timber and the principal export market for Soviet pulpwood, plywood and other wood-based panels, whereas Japan is the principal importer of saw logs from the Soviet Union (two-thirds of Soviet exports). Soviet pulp-and-paper goods are the main items exported to the European socialist countries (about two-thirds).

If we evaluate the volume of Soviet exports of wood-paper products with the use of raw-wood equivalent applied in the FAO Timber Committee, then the total conventional volume of wood exports from the USSR may be estimated at 37 million cubic metres. This accounts for a little more than 10 percent of the volume of production and shows that the forest industry in the USSR is oriented above all towards satisfaction of the country's internal needs, while exports quantitatively play a supplementary role.

The proportion of forest products in Soviet exports (in terms of value) is gradually declining and in 1984 accounted for 2.9 percent, whereas in the 1960s and the early 1970s it ranged between 6 and 7 percent. In our trade with the industrial capitalist countries this proportion is higher.

In the long term there are possibilities for raising once again, on the basis of specialization, the importance of forest products export in Soviet foreign trade, taking into consideration the existing raw material base, the availability of skilled personnel as concerns the production and export of timber and pulp-and-paper goods, and the developed structure of our ties with foreign markets.

At the present stage it is necessary to increase the export of forest products with a high degree of processing. This tendency was already clearly seen in the preceding period. Over the past ten years the proportion of unprocessed wood in the total value of the export of all forest products from the USSR dropped from 38 percent to 25 percent, whereas the proportion of plywood, wood-fibre and particle boards, pulp and paper rose from 23 percent to 39 percent. The proportion of sawn timber has hardly changed, from 39 percent in 1974 to 36 percent in 1984. The value of round timber exports over the same period declined from 564 million rubles to 539 million rubles, whereas the export of sawn timber went up from 566 million rubles to 765 million rubles, pulp exports more than quadrupled and reached 316 million rubles, the export of paper and cardboard rose to 331 million rubles, a 2.2-fold increase.

It is indicative that over this period the average price of a cubic metre of round timber rose a mere 11 percent, that of sawn timber went up 47 percent, and the average price of pulp and paper doubled. This witnesses not only the higher possibilities of improving the export pattern within the group of goods with a high degree of processing, for instance, expanding shipments of bleached pulp instead of the unbleached grade or quality printing paper instead of

the much cheaper newsprint. Kept in mind should be the more favourable development of prices for improved commodities and the decline in the profitability caused by the carriage of cheap little-processed goods over great distances with high transportation costs, for in such trade it is generally only the carrier who gains. Also hardly promising as concerns transportation effectiveness are wood fibre and especially cheap heavy wood particle boards. At the same time, as regards quality sawn timber sold in accordance with its specifications and pulp-and-paper goods the best conditions exist for the growth of their effective exports from the USSR.

The Soviet Union with its rich natural resources of forest products and production potentialities is independent of imports, but at the same time is interested in purchasing various goods, including forest products, on the basis of a rational international division of labour.

The expansion of the Soviet import of forest products in large measure is based on the assortment exchange of pulp-and-paper goods and it also has the aim of supplying the country's economy with goods of predominantly "southern" origin, such as plywood logs and veneer of tropical wood, cork bark, parquet staves and hardwood sawn timber.

Utilization of the USSR's vast forest resources and development of the country's export potential call for considerable investments and an increase in production capacities. New forms of international cooperation are needed which can help solve this problem.

These include, in particular, the use of foreign manpower for work at Soviet integrated logging-lumbering enterprises, the construction and modernization of enterprises in the forest industry with the participation of foreign firms, and also compensation-based agreements. All these forms commonly require the provision of credits, material resources or services in exchange for part of the out-put of these enterprises by our foreign partners.

At present, in accordance with agreements between the two countries, workers from Bulgaria are employed at timber enterprises on Soviet territory. The Soviet side delineates cutting areas and provides fuel and other materials, electric power, equipment and transportation facilities, tools, spare parts as well as services of a production nature, and exercises control over the rules of timber cutting, reforestation and construction work. The Bulgarian side sends manpower to the cutting areas to carry out tree felling, construction work and reforestation activity. These labour expenditures are being recouped by timber shipments to Bulgaria. The volumes of these shipments are according to the expenses incurred by the partners.

At the end of the 1960s compensation-based co-operation in the forest industry was arranged between the USSR and Japan. Using a special credit granted by Japan, the Soviet Union imports Japanese timber-cutting and road-building machines and equipment, spare parts and materials, and repays the credit by Soviet shipments of commercial timber, technological chips and sawn timber.

The Ust-Ilimsk pulp complex, turning out 500,000 tons of marketable bleached sulphate pulp a year, is an object of multilateral cooperation between the CMEA countries. Part of the Ust-Ilimsk pulp goes to the socialist countries as repayment for the granted credit.

At the end of the 1970s compensation transactions were made with Swedish and West German firms in the furniture industry. The deliveries of equipment and materials to Soviet furniture factories are being paid for by shipments of high quality modern furniture fully competitive on the West European furniture market.

It is expedient to promote these mutually advantageous forms of cooperation in the 12th five-year plan period. They enable our partners abroad to obtain from the Soviet Union additional quantities of quality forest products and the Soviet side to achieve economy in capital and labour inputs, speed up the construction and commissioning of industrial projects, increase its export potential. Both sides in the course of international cooperation are interested in stable and long-term contacts which circumstance is very beneficial to the participants thanks to the fixed volumes and pattern of shipments.

For its part, the Soviet Union participates in building timber and pulp-and-paper enterprises abroad. The Soviet Foreign Trade Association Neftechimprom-export, for instance, has built in Bulgaria a pulp mill (140,000 tons a year) and set up industries to produce capacitor and cigarette paper; in Romania it has built a factory to turn out corrugated cardboard (100,000 tons a year); in Czechoslovakia, together with the Canadian Symons, it participated in modernizing the country's major pulp-and-paper combine in Ruzomberok, while in consortium with the Finnish group Metex (Valmet and Jylhavaara) it took part in erecting a beech wood pulp mill in Paskov.

An ever greater role belongs to the agreements on specialization and cooperation in production, and some of these operate precisely in the fields of lumbering and pulp-and-paper production.

Intergovernmental agreements on economic, industrial, scientific and technical cooperation, which the Soviet Union has signed with a number of Western countries, have proved a reliable means of expanding international cooperation. The scientific and technical potential of the Soviet Union, its experience in fundamental and applied research and in developing new technologies and types of machinery serve as a sound basis for our partners' interest in cooperation. There is also a broad field for cooperation in the forest complex. How wide is the range of research in this area can be illustrated by the Programme of Economic, Industrial, Scientific and Technical Cooperation between the USSR and Sweden for 1981-1990, which includes a broad spectrum of questions ranging from the mechanization of tree planting and forest management, and the use of genetic methods for increasing forest productivity to the mechanization of various production processes in lumbering, woodworking and pulp-and-paper production, the use of industrial waste and the development of new types of equipment and floating mills. Highly promising are also such forms of cooperation as joint developments, seminars and symposia on current scientific and technical problems, testing to new models of machinery, licence

exchanges and know-how sharing, commercial co-operation such as joint sales of finished products.

The increase in the relative deficit of economically accessible wood in the world raises the question of the sources from which to cover the expanding long-term needs for forest products. A certain role in this respect may be played by creating quick-growing forest areas in tropical and sub-tropical countries and intensifying the forest industry in countries in the temperate zone. This trend, however, is bound to incur considerable outlays and will entail price increases on wood products without, however, eliminating the shortages of timber products made from the valuable coniferous fine-grain woods growing in the northern latitudes.

In the USSR much attention is always devoted to the development of timber exports by more fully utilizing the available forest resources. The Soviet Union is a reliable trading partner oriented on long-term cooperation and the maintenance of stable trade ties; transient, situation-based considerations are alien to its foreign trade policy.

The planned character of the Soviet economy, ensuring a regulated distribution and redistribution of investments, material and labour resources, fixes the possibility of organizing large-scale stable interconnections with foreign markets, above all by setting up export-oriented production capacities.

The Soviet Union is willing to cooperate with all countries, although this willingness in large measure depends on their reciprocal interest and activity in this respect. While increasing its exports of forest products and widening the range of these products in conditions of a capacious home market, the USSR will invariably take into account the interests of its partners in conformity with the reasonable relation of supply and demand on the world market and the economic expediency of wider trade in forest and pulp-and-paper products. The USSR will retain in the new five-year period its status of major exporter of coniferous sawn timber and industrial round wood, first of all on the markets territorially adjacent to it. At the same time the oustripping rise in the production and consumption of forest products with a high degree of chemical and chemico-mechanical processing in the USSR is an important factor expanding both the export and the import of these goods and promoting mutually advantageous exchange on the basis of a rational international division of labour in timber and pulp-and-paper production.

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English translation, "Foreign Trade", 1985

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CSO: 1812/48

UNITED STATES AND CANADA

U.S. PLANNING TO USE MICRONESIA TO PREPARE FOR NUCLEAR WAR

Moscow NEW TIMES in English No 43, Oct 85 pp 14-15

[Article by O. Kurochkin" "Atolls of Death"]

[Text]

An irregular ring of 93 islets makes up Kwajalein—an atoll forming a part of the Marshalls in the West Pacific. Today it is again becoming a threat to peace and security. Again? Why?

In the period from 1946 to 1958 the Pentagon tested 66 nuclear devices in the area. As a result of radioactive irradiation produced by the test explosions, people on the Marshalls are still suffering and dying from radiation disease. Stillborn infants or cripples are being born to some of the survivors. Owing to high residual radiation the atolls of Bikini, Eniwetok and Rongelap are totally unfit for habitation. More than that, even a short stay there is a hazard. The fish in the coastal waters is contaminated.

While the Pentagon was conducting nuclear weapons tests in the 1940s and 1950s, it turned Kwajalein into a supply base. All the inhabitants were deported to Ebey, a small desert island. The settlers are even short of water. As many as 3,000 U.S. military specialists arrived in Kwajalein, which in 1959 was turned into a U.S. missile range. Since then several hundred intercontinental ballistic missiles launched from Vandenberg Base, California, have hit the lagoon formed by the atoll islets. Today Kwajalein is still being used for testing ICBMs, including MX missiles, and submarine-launched ballistic missiles (SLBMs).

However, what is even more dangerous is that the Pentagon has decided to build a test range for the space

strike weapons, or "star wars," programme. An anti-ballistic missile (ABM) has already been launched from Meck Island, which intercepted a ballistic missile at a distance of 100 miles from its re-entry point. And on the island of Roi-Namur an Altair radar has been in service since 1982, which is a component of the U.S. Air Force anti-satellite detective system. Its purpose is to provide tracking and targeting information for anti-satellite weapons.

Before Kwajalein was turned into a missile range the U.S. launched its missiles from Cape Canaveral, Florida, into certain areas in the South Atlantic or the Indian Ocean. However, to track the test vehicles in the Atlantic the U.S. had to use stations on the islands of Antigua and Ascension—British, and not U.S., possessions. It appears that, proceeding from its far-reaching militaristic plans, Washington decided to annex the U.N. Trust Territory of the Pacific Islands, commonly known as Micronesia, of which the Marshalls are a part.

Under an agreement with the U.N. Security Council Micronesia is governed by the U.S. Taking it over piece by piece by the so-called "salami method," Washington has split it up into four parts. The Americans have concluded a "commonwealth" agreement with the Marianas. They forced a "free association" status on the Marshalls. Under its terms the Micronesian territories have been granted internal self-government, whereas the United States has assumed

full powers and responsibility for their security and defence.

The U.S. intends to grant the other two parts of Micronesia a similar status. The agreements forced on them provide for extraterritorial rights for U.S. military installations, the granting of land for the construction of airfields, ports, firing ranges, barracks and depots. The U.S. has usurped the right of shutting off Micronesia for any third country.

It should be noted that during the 38-year period of U.N. trusteeship over Micronesia the U.S. as the governing authority has been unwilling even to discuss the granting of independence to the people of the area. So far, however, the Micronesians could surmount the U.S. barriers and file complaints with the U.N. With the agreement on "free association" coming into force, they will be unable to do so, because they will in effect be forbidden to undertake any step the U.S. may deem to be "incompatible" with its powers in the sphere of defence.

What is particularly dangerous about the agreement on free association Washington has bullied the representatives of three Micronesian territories into signing is that under its terms the U.S. can store and test in Micronesia radioactive materials, chemical and germ weapons.

In two out of three Micronesian territories—the Marshalls and the Federated States of Micronesia—the U.S. has secured through "referendums" approval of the enslaving agreements. The third territory—the Palau Islands—defying the pressure of the U.S. "trustees," rejected the article on the admission of nuclear arms and other weapons of mass destruction into the islands and their territorial waters. Southeast Asia Chronicle wrote that the indomitable stand of the people of Palau in large measure inspired the island states of the South Pacific to declare, as early as 1984, for the establishment of a nuclear-free zone, and the New Zealand government to close their ports to U.S. ships with nuclear arms aboard.

Having gone through the nuclear test tragedy, the Micronesians are unwilling to experience it again. In addition, American rule has dislocated the economy and undermined the social and cultural foundations of the islanders' life. That the neocolonialists are indifferent to the fate of the local inhabitants is evidenced by the fact that in 1982 the Truk islands were scourged with cholera, and the Federated States of Micronesia with tuberculosis and leprosy which spread like an epidemic. In the opinion of a Micronesian political leader quoted by Southeast Asia Chronicle: "Unless we are independent, we would not be able to get aid to develop our economy from other countries. With diversified trade and ties, our economy would in fact be much healthier than it is today, when we have to depend on handouts from the U.S." One cannot help agreeing with this and the general conclusion of the periodical: "Colonialism is indeed alive and well in the heart of the Pacific."

The islanders, including the 9,000-odd exiles from Kwajalein, have repeatedly demanded that the Pentagon invaders should withdraw from their soil and stop violating their rights. However, the U.S. has ignored these demands. Congress is silent too. Commenting on the situation, the Boston Globe wrote in March 1984: "Congress has an obligation to weigh the complaints of the Marshallese and to assess the implications of charges about persistent radiation effects and of social abuses under the lease arrangements."

It is not that simple. The U.S. has put more than a billion dollars into the bases. The withdrawal from Kwajalein, Major General Grayson Tate, a former manager of the U.S. ballistic missile defence programme, said recently, "would be very expensive and would be very disruptive to our ongoing programmes, including MX, Trident and our BMD programmes."

Dozens of giant corporations are engaged in the development of new arms which are being tested on Kwajalein. Pentagon contracts are a source

of multi-billion profits for them. Among these corporations there are many contractors working on the "star wars" programme. Here are a few: Lockheed, McDonnell Douglas, Hughes Aircraft, General Electric, TRW, and Honeywell.

The U.S. is impatiently waiting for the time when it will be able, without looking back at the U.N., to do what it sees fit in Micronesia. Judging by a recent statement of Richard Armitage, Assistant Secretary of Defence, the U.S. hopes to relinquish its trusteeship over Micronesia this year. He did not even try to pretend that the status of a "commonwealth" or "free association" implied anything but complete subordination to Washington. Since Washington is responsible for defence, he claimed, the U.S. frontier is 5,000-

odd miles west of San Francisco. Addressing Congress, Fred Zeder, the U.S. President's personal envoy to the talks on the future status of Micronesia, said outright that the agreements with Micronesia were necessary to "secure for the U.S., for the long term, important strategic goals."

How is it possible to fit all this with attempts to persuade the U.N. Trusteeship Council, in particular through specially selected Micronesian politicians, that a process of "self-determination" is underway in the trust territory in question? Facts unequivocally show that the U.S. is seeking, in defiance of law, to annex a U.N. trust territory and to turn it into a base for preparation for nuclear war not only on the Earth, but also in space.

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CSO: 1812/47

UNITED STATES AND CANADA

SOVIET OFFICIALS' LETTER TO U.S. CONGRESS ON ANTI-SEMITISM

Moscow APN DAILY REVIEW in English 18 Nov 85 pp 1-2

[Article: "Open Letter of Soviet Parliamentarians to US Congressmen"]

[Text] We, Soviet parliamentarians of Jewish nationality, address US Congressmen on a highly disturbing question.

On November 9 this year, fourteen Jewish-owned shops were sacked in New York. The damage done was not only material: the criminal action resulted from anti-Semitism, lately displayed even more often in the United States. As is known, similar acts of vandalism on the "crystal night" of November 9, forty-seven years ago, gave a start to Jewish pogroms and death-camp extermination of Jews in nazi Germany.

According to the American press, the number of last year's officially registered anti-Semitic outrages exceeded 700 in the United States, including attacks on Jewish organizations and individuals of Jewish extraction, threats of violence, insults and acts of vandalism.

Jews are also covertly discriminated against in the United States: they are not admitted to certain neighbourhoods, prestigious clubs, educational establishments and professions. One third of the 175 firms building renting-houses in New York do not let apartments to Jews; about 800 thousand US Jews live below the official poverty line; about seven hundred business clubs in forty-six states deny membership to Jews. A poll of the Jewish population in District Columbia and the city of Saint Louis, Missouri, alone revealed that most had fallen victim to some form of anti-Semitism.

We Soviet parliamentarians share Soviet public concern about a wave of anti-Semitism sweeping the United States, with its six-million-strong Jewish community, and call upon the US Congress, the Administration and President to take effective steps to stop the dissemination of anti-Semitism, a phenomenon below the dignity of civilized society.

1. M.V. Khaikin, deputy, Supreme Soviet of the Ukraine
2. R.L. Barg, deputy, Supreme Soviet of the Ukraine
3. S.I. Palei, deputy, Supreme Soviet of Byelorussia

4. R.G. Geller, deputy, USSR Supreme Soviet
5. E.G. Gurvich, deputy, Supreme Soviet of Azerbaijan
6. M.D. Davitashvili, deputy, Supreme Soviet of Georgia
7. M.A. Levitsky, deputy, Supreme Soviet of Tajikistan
8. M.I. Katz, deputy, USSR Supreme Soviet
9. Y.I. Kopylov, deputy, Supreme Soviet of the Russian Federation
10. Y.I. Plitman, deputy, USSR Supreme Soviet

November 14, 1985

(APN, November 15. In full).

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CSO: 1812/052

UNITED STATES AND CANADA

U.S. 'PROTECTIONIST' TRADE POLICY HIT

Moscow SELSKAYA ZHIZN in Russian 3 Nov 85 p 3

[Article by Tatyana Kosyreva, candidate of economic sciences: "World Agrarian Panorama: A 'Suit' for Mercury"]

[Text] Autumn is a busy season for the European Economic Community (EEC). After the summer lull, the enormous bureaucratic machinery of the Common Market, numbering approximately 20,000 "Eurocrats" (as the staff members of the group's various organs are often called) has set to work at full power. The range of problems troubling the EEC leadership is broad. The inter-governmental conference held at the end of October reveals a schism among the countries of "the ten" regarding issues in the planned reform of Common Market institutions. The regular meeting of agricultural ministers did not help settle the problems associated with the future unified agrarian policy after Spain and Portugal join the EEC. Unified prices have not yet been adopted for cereals and sugar.

No less agitation is provoked by the realm of foreign-trade contacts. Sharp criticism was directed at Tokyo and Washington at the concurrently-held meeting of the foreign-affairs ministers of "the ten."

The Western Europeans have more cause for alarm now than before. The routine promises and declarations of "good intentions" on the part of the Japanese have clearly proven inadequate to reduce the more than 11 billion dollar trade deficit of the EEC with Japan. An unprecedentedly imposing delegation headed by the chairman of the Commission of European Associations, J. Delorom, was sent to Tokyo in November to push Western European goods. But there is no need to hope for significant concessions on the part of the Japanese: even greater pressure is being placed on them by the United States as their main trading partner, who moreover has a trade deficit of over 35 billion dollars.

The trade war is also agitated on the "Western Front." The Reagan administration's fall offensive against the Common Market began with the routine attacks on the unified agrarian policy of "the ten." Using the platform of the General Agreement on Tariffs and Trade (GATT), the Americans intend to open up a new campaign against EEC export subsidies, this time for wheat suppliers.

This is far from being Washington's only pretension regarding agricultural trade. The Americans feel that great losses will be inflicted on them, in particular, by the system of special EEC agreements with the nations of the Mediterranean Basin for the preferential supply of citrus fruits to the countries of the group. A campaign is being waged to limit the import of canned fruits from Western Europe. Plans to reduce the import of wine, which makes up more than a third of all Western European deliveries of agricultural goods to the United States, pose a special threat to the Common Market.

Behind the episodes of agricultural warfare, the long-term strategy of the Americans is becoming discernible: to weaken the EEC's position as the second major exporter of agrarian products in the capitalist world. The foreign-trade policy of Washington is in a sense a reflection of domestic economic policies. In the sphere of agriculture, Reaganomics has led to the massive ruin of farms and the growth of farm indebtedness equalling the debts of Brazil and Mexico combined. While reducing appropriations for supporting the national agriculture, the American government is still trying to solve problems of a domestic nature, but... by export expansion. To this end, a program of subsidizing US agricultural exports over 3 years for two billion dollars is envisaged (the lion's share of this "pie" will go to the major agribusiness corporations--Ed. note) along with a number of other measures. The logic is a little more biting than that of the sadly well-known Queen Marie-Antoinette: "The farmers have no bread? Let them eat cake!"

Washington's active export policy coincides to a great extent with the intensification of protectionist demands. To US Secretary of State G. Schultz belong the words, "Protectionism is not medicine for a disease, it is a disease in and of itself." A fair pronouncement, undoubtedly, although the second part of it needs elaboration nonetheless. The current wave of protectionist demands in the United States is a symptom of the serious illness of the American economy. Record budget deficits, the financing of which requires the attraction of funds with the aid of high interest rates, pushes the exchange rate of the dollar upward. The strong dollar cheapens the import of goods and makes American exports expensive. As a result, the unfavorable foreign-trade balance of the United States in the current year could reach a level of 150 billion dollars, or almost four times greater than in the beginning of the 1980s. The rapid growth of imports and the lag of exports has begun to drag on the country's economic development. The danger of this trend has forced the American powers, along with four other powerful Western countries, to execute a number of operations to lower the exchange rate of the U.S. currency. But interventions in the currency markets cannot improve the situation in the long run. Even if the dollar's exchange rate came down substantially, estimates are that it would require approximately a year and a half to balance the country's foreign-trade accounts.

For the time being, the slogan "free trade" has been replaced in the United States with calls for "fair trade." This juggling allows them to see "dishonest trade practices" here, there and everywhere on the part of their partners and to demand punishment for the guilty. As a result the American Congress, as the bastion of protectionism, has found itself inundated with "retaliatory" legislation totalling approximately 300 bills. It is proposed to limit the imports of textiles, copper, timber, passenger planes and even... roses.

There are bills to forbid any imports from certain countries (principally Japan) or groups of countries. Also popular is a proposal for supplemental 25-percent duties on goods from countries that have exports to the United States 65 percent greater than their imports of American goods.

If the American protectionist bills give the Western Europeans a headache, then, using the medical analogy, they can bring the Japanese to the verge of a heart attack. After all, approximately 36 percent of Japanese exports go to the United States. The imposition of an import tax of 25 percent, for example, would mean the loss of a million jobs on the Japanese islands...

...In ancient times Mercury, the god and patron of trade, was portrayed as a running youth with winged sandals and a baton in his hands (the god also held the office of patron of track and field athletes). To the current American legislators of trade fashions, apparently, that seems too frivolous. They periodically try to replace the baton with a club, so as to set those who think differently onto the right path with the assistance of sanctions. At the same time, they persistently try to dress up the fleet god in the heavy armor of protectionism. In such a "suit" you can't run far...

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CSO: 1825/18

UNITED STATES AND CANADA

POSSIBILITIES, PROBLEMS IN SOVIET-CANADIAN TRADE

Moscow FOREIGN TRADE in English No 10, Oct 85 pp 27-30

[Article by Vladimir Borisenko; "Possibilities and Problems of Soviet-Canadian Trade"]

[Text] The current year is abundant in important events in Soviet-Canadian relations. The meeting between M. S. Gorbachev, General Secretary of the CPSU Central Committee, and M. B. Mulroney, Prime Minister of Canada, March 1985, created a foundation for a series of high-level contacts, and was followed by the visit of J. Clark, Minister of External Affairs of Canada, to the Soviet Union in April, and the visit of V. I. Vorotnikov, Member of the Political Bureau of the CPSU Central Committee, Chairman of the Council of Ministers of Russian Federation, to Canada in May. Matters of the two countries' trade and economic cooperation were discussed at the 5th Session of the Soviet-Canadian Mixed Commission on Economic, Industrial, Scientific and Technical Cooperation, June 1985, and during consultations on a long-term agreement on grain deliveries. Such a lively activity on developing mutual contacts reflects the interest the Canadian official and business circles evince in expanding ties with the Soviet Union.

In September 1984 in Canada the government of the Progressive Conservative Party of Canada assumed power. Having ousted the liberals who had governed the country almost continuously over 20 years, the conservatives introduced a number of new aspects into Canada's policy placing the major stress on expanding political and economic ties with the USA, on encouraging the inflow of foreign, primarily U.S., capital to the country. According to W. Kashtan, General Secretary of the Communist Party of Canada, the Conservative government's sharp turn towards supporting the U.S. policy is due to a certain degree to their hope that it will help them solve economic problems and overcome structural crisis phenomena occurring in Canada.

However, the whole previous experience of Canadian-American relations witnesses that relying exclusively on ties with the USA does not meet Canada's national interests and the conservatives, evidently, take this into consideration when elaborating their external policy. For instance, in the sphere of foreign economic ties they not only retained but even intensified the accent on expanding the range of its trade partners typical of the liberals to assure markets for Canadian export goods. A number of documents on foreign trade published

by the government in 1985 and active visits of Canadian officials and business delegations to other countries verify this. Such an approach is quite understandable since Canada's economy greatly depends on its foreign trade. The export quota in the country's GNP amounted to 28 percent in 1980.

As for Soviet-Canadian trade ties in the last decades they substantially progressed and the Soviet Union has now become Canada's large and promising trade partner. In 1984 the USSR occupied the fifth place in Canada's foreign trade and the fourth place in the volume of purchases of Canadian goods (after the USA, Japan, and Great Britain). Moreover, the practice proved that the attempts to restrict its trade ties with the USSR and use them as a means of political pressure undertaken from time to time following U.S. example do not lead to any profits and are fraught with serious economic damage to Canada itself. All the said factors were of great importance for the formation of the constructive approach representatives of the Conservative government use when dealing with the Soviet-Canadian trade and economic ties.

Of great consequence for strengthening bilateral business cooperation was the 5th Session of the Mixed Commission at which J. Kelleher, Minister for International Trade of Canada, was present. In the course of talks the sides confirmed their desire to further develop stable, long-term ties. The Protocol signed after the Session stated that the atmosphere of understanding and mutually beneficial cooperation in trade, economic, scientific and technical fields would contribute to the promotion of the principles of detente and to the fulfillment of the provisions of the Final Act of the Helsinki Conference on Security and Cooperation in Europe. A principled understanding on prolonging two agreements whose period of validity will expire in 1986 was reached, namely: The Trade Agreement of 1956--for another five years and the Long-term Agreement to Facilitate Economic, Industrial, Scientific and Technical Cooperation of 1976--for another ten years.

During the Session the state and prospects of bilateral trade were analyzed in detail. Its volume reached 1,422 million rubles in 1984 which is 9.2 percent higher than the 1983 level. Grain being supplied under the long-term agreement of May 21, 1981, is the main Soviet import product from Canada. Among other goods being purchased from Canada of considerable significance are: certain types of machinery for the oil and gas industries, off-road vehicles with various equipment installed in them, heavy dump trucks, press-forging machines, textile equipment, fish products, pedigree cattle, and non-ferrous metal concentrates. Soviet goods exported to Canada include metal-cutting machine tools, tractors, agricultural machinery, the Lada and Niva cars, plywood, shot guns, clocks and watches.

The present mutual trade's goods range is far below the existing potential. Climatic and natural conditions of the USSR and Canada are very similar due to which their economic tasks are also similar. Among these tasks are: development of northern and arctic regions, prospecting and extraction of mineral fuel, the use of hydropower and forest resources, elaboration of the infrastructure, raising the effectiveness of agriculture and environmental protection. The Soviet Union and Canada are actively developing these sectors and have gained substantial experience in manufacturing the necessary equipment. This can be a foundation for mutual deliveries of machinery, equipment and technologies.

However, to realize the existing possibilities, the USSR and Canada must exert persistent and purposeful efforts.

A serious problem facing Soviet-Canadian trade over a number of years is its imbalance. Recently the export to Canada confronted certain difficulties owing to which it fell from 49 million rubles in 1981 down to 19 million rubles in 1984. The main reason for this was the aggravation of the economic crisis in Canada in the first half of the 1980s whose consequences are felt even now. Such factors as cyclical anti-Soviet campaigns, the cases of using the so-called anti-dumping legislation against Soviet goods and certain drawbacks in the Soviet organization's export activities have also played a definite role.

Of great concern is the present state of Soviet export to Canada since the question is rather critical as to whether Canada will substantially increase purchases of Soviet goods or Soviet organizations will have to reduce the import of Canadian goods. One must bear in mind that some West European countries with whom the USSR has a positive trade balance are more and more actively offering their goods including grain which is a traditional import item from Canada. Recently Canada began to realize the seriousness of the problem and expressed readiness to jointly find the ways for its solution. The Protocol of the 5th Session of the Mixed Commission contains the sides' understanding to exert further efforts to reduce the trade imbalance through improved Soviet export performance and with the appropriate cooperation of the Canadian side.

There are great possibilities for the expansion of the Soviet export to Canada. In this country three joint-stock companies have been functioning for already more than ten years with participation of Soviet foreign trade associations which have gained valuable experience in selling Soviet goods on the Canadian market. The joint-stock company Belarus Equipment of Canada in Toronto with branches in Montreal, Moncton and Regina sells tractors, agricultural machinery and spare parts for them. Stan-Canada Machinery also in Toronto, having branches in Montreal and Edmonton, specializes in trading metal-cutting, woodworking machine tools, press-forging equipment and other machinery and equipment. In Vancouver, Canada's west, there is the EMEC Trading joint-stock company. It was set up to control the fulfillment of large contracts on the delivery of equipment for hydro-electric power stations to Canada, signed in the 1970s, and now it sells certain types of electrical engineering and other equipment. At the 5th Session of the Mixed Commission the Canadian side undertook a commitment to facilitate and encourage the activities of Soviet commercial personnel in Canada including those of the above joint-stock companies. The range of goods supplied through these companies is rather promising considering the tendencies of the Canadian market's development, that is why it would be desirable to upsurge their activities.

When taking measures for augmenting the Soviet export it would be expedient to extend the range of exported goods and find new commodity markets in Canada. Up to now the main stress has been placed on the country's eastern regions, mainly the Ontario and Quebec provinces where the leading offices and branches of the joint-stock companies Belarus Equipment of Canada and Stan-Canada Machinery are located. It is true that Eastern Canada is a rather spacious

and promising commodity market. However one must not neglect the fact that over recent decades the western provinces economically progressed at outstripping rates compared to the eastern ones and at present their industrial and scientific research level is not below that of the latter. Correspondingly the western provinces' market is expanding for machinery, equipment and consumer goods deliveries. Thus there are good prospects for marketing products in Canada's west, especially in Alberta and British Columbia.

Of great significance is the fact that the western provinces (Alberta, Saskatchewan and Manitoba) are the USSR's leading grain suppliers and gain the largest profits from trade with the USSR. This to a certain degree has a positive impact on these provinces' attitude towards trade with the Soviet Union in general and purchases of Soviet goods in particular. In this connection a recent example of the Syncrude company (Alberta) purchase of Soviet machine-tool equipment is characteristic.

The mutual desire to develop trade can become a foundation for counter trade deals. Most various forms of counter trade deals play an increasing role in world trade practice. According to the data cited in the Canadian magazine INTERNATIONAL PERSPECTIVE (March-April 1984, p. 19), in 1976 counter trade deals constituted only two to three percent of international trade while in 1983 this figure reached 25-30 percent. As to East-West trade its counter trade deals, according to this data, amount to nearly 50 percent.

Another possible form of expanding Soviet export to Canada is the arrangement of assembly or completion of Soviet products in Canada. This form has a number of advantages. First, it makes it possible to bring the finished product to full compliance with the local market's specific requirements. Second, since the import of goods subject to completion helps create a certain number of working places in Canada it is to a lesser degree adversely influenced by various forms of protectionism. At present certain quantities of Soviet machinery and equipment supplied to Canada are completed there. Work on arranging the Niva cars' assembly in Canada is under way. Moreover, forms of trade are needed which would expand raw material exports to Canada. Compensation-based transactions envisaged in the Long-term Programme of Economic, Industrial, Scientific and Technical Cooperation between the USSR and Canada of October 26, 1978, can be one form. The main difficulty is to select such types of raw materials whose sales effectiveness is not influenced by high transportation costs. The 5th Session of the Mixed Commission discussed the possibilities of raw material deliveries, including carbamide urea to Canada.

There are considerable potentials for expanding Canadian goods deliveries to the USSR especially machinery and equipment. Canada has a rich experience of manufacturing and using various types of equipment under difficult climatic conditions similar to those of the USSR's Extreme North and Siberia. Canada's industry turns out equipment to its own licences and successfully designs its own technology for such sectors as oil and natural gas extraction and refining (including the coastal shelf), the forest and pulp-and-paper industries.

Practice shows that under favourable conditions the machinery and equipment import from Canada can substantially grow. Thus in 1976-1980 their import reached 218 million rubles against 32 million rubles in the previous five-year

plan period. A credit protocol between the USSR Foreign Trade Ministry and the government-owned Export Development Corporation of Canada operative in the second half of the 1970s promoted the growth of purchases. After its validity period had expired, purchases were reduced and up to now have been in rather small volumes. For instance, in 1984 the equipment import from Canada amounted to only 24 million rubles, while that from Great Britain—276 million rubles, from France—546 million rubles, from Switzerland—186 million rubles and from Sweden—109 million rubles. Now talks on concluding a new credit agreement which would raise the competitiveness of Canada's proposals on financial terms are under way.

Specialization in manufacturing a limited range of components or assembly operations, typical of the majority of Canadian firms which makes them dependent on the formed system of economic ties and traditional partners, creates certain difficulties when purchasing Canadian equipment and machinery. There are many cases in the practice of Soviet-Canadian trade ties when Canadian firms offered, in principle, good equipment to Soviet organizations but it could not be used in the USSR because of its incompleteness. An effective means to eliminate this drawback is to unite small and medium firms into a consortium capable of preparing a single proposal for a complete set of equipment and technology for a large project. Soviet foreign trade organizations have good experience of work with Western countries' consortia, including multinational ones. The same can be said about trade with Canada. The 5th Session of the Mixed Commission gave an example of the Canadian firm Lavalin Inc. which in consortium with the FRG and French firms received a large order for rendering services and the delivery of equipment for the Tengiz oil complex.

A serious factor restraining trade with Canada is insufficient knowledge of the two countries' potentials. At the present state the establishment of various forms of ties between the two countries' business circles is of special importance. Contacts through the Canadian provinces' official bodies can be an effective instrument for developing such ties. Canada's provincial administrations have wide possibilities for rendering their firms organizational and financial assistance in studying and mastering external market. The Alberta province's government is most active in this respect, in particular, in arranging its companies' participation in the international exhibition. Neftegaz-84 and some other specialized exhibitions held in Moscow, 1984 and 1985. The Alberta government also assisted in sales of Soviet equipment in the province. Other provinces' government bodies also evince interest in developing trade with the USSR. Relevant ministries in Alberta, Quebec and Ontario sent representatives to the 5th Session.

Recently direct business contacts between Canadian firms and Soviet foreign trade organizations are expanding. The Canadian-East European Trade Council, a special business circles' body recently set up in Canada, will facilitate this activity. In June 1985 an agreement on cooperation between this Council and the USSR Chamber of Commerce and Industry was signed, envisaging the exchange of commercial and economic information, visits of business delegations,

arrangement of symposia and seminars on trade and economic cooperation and participation in exhibitions.

There is hope that the efforts being exerted by the two countries' official circles, Soviet foreign trade associations and Canadian firms, will result in the further expansion of the USSR-Canada trade ties on a stable, long-term and mutually beneficial basis.

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WESTERN EUROPE

SOVIET-FRENCH TRADE OUTLINED

Moscow FOREIGN TRADE in English No 10, Oct 85 pp 20-21

[Article by Igor Matsuyev: "To Expand Trade"]

[Text] Among the industrial capitalist countries France is one of the USSR's main trading partners. Between 1980 and 1984 Soviet-French trade turnover more than doubled as compared to the previous five-year period (1975-1979) and approximated 20,000 million rubles.

In 1984 the two countries' trade volume exceeded 4,200 million rubles, Soviet export amounting to 2,400 million rubles and import—1,800 million rubles.

Visits of business delegations are promoting Soviet-French trade and economic cooperation. The holding of joint trade and economic undertakings ensures good possibilities of establishing and expanding business contacts, of studying potential trade.

A Soviet-French meeting was held in Moscow last May on the initiative of Credit Lyonnais, one of France's biggest banks, jointly with the Vneshtorgbank SSSR (USSR Bank for Foreign Trade) and the USSR Chamber of Commerce and Industry.

A representative delegation of France's business world comprising more than 70 leaders of the largest French industrial associations and firms arrived in Moscow to attend the meeting.

The aim was to open new opportunities for industrial cooperation on the basis of latest know-how and up-to-date organization of production. The meeting's programme covered different sittings embracing: the power engineering, transport, agro-industrial complex, electronics, information science and robotics. Reports on prospects of developing various sectors of the Soviet economy were delivered by S. A. Sataryan, Deputy Chairman of the USSR State Planning Committee, V. M. Ivanov, Deputy Minister of Foreign Trade, Ye. M. Kuzkin, Vice-President of the Vneshtorgbank SSSR Board; for the French side Georges Lacombe, Envoy-Counsellor for Commercial and Economic Affairs of France's Embassy in the USSR, took the floor.

In accordance with individual programmes prepared by the USSR Chamber of Commerce and Industry, the participants in the meeting visited branch ministries and foreign trade associations.

Negotiations between Credit Lyonnais and the USSR Bank for Foreign Trade resulted in signing a memorandum defining prospects and concrete steps to be taken for furthering trade, economic and banking cooperation.

At the press conference held in the Moscow office of the Franco-Soviet Chamber of Commerce the leader of the French delegation, Jean Deflassieux, expressed his satisfaction with the results of the Soviet-French meeting and joint efforts aimed at promoting bilateral trade, economic and banking cooperation.

The Franco-Soviet Chamber of Commerce (FSCC), set up in February 1967 in accordance with the joint declaration on its formation, makes a great contribution to the establishment and development of all-round ties between both countries' business quarters.

The Franco-Soviet Chamber of Commerce acts for about 400 French and Soviet commercial and industrial companies and organizations, banks, associations and research institutes, actively informs business circles in both countries about the latest achievements in economy, science, technology and export potentialities of the USSR and France and in this way promotes Soviet-French trade.

Each year the Chamber arranges trips for its members included in trade and industrial delegations and prepares business programmes for them, it gives advice on particular subjects of trade on Soviet and French markets. The Chamber regularly carries out such prodigious measures in the Soviet Union and France and, during their implementation, discusses urgent problems of economic, scientific and technological cooperation.

For eighteen years now the Franco-Soviet Chamber of Commerce has been actively supporting a realistic constructive approach in solving some problems and promoting the realization of intergovernmental agreements on trade and economic cooperation.

The Chamber makes a considerable contribution to the development of information exchange, which is of great importance for successful commercial activity, helping French firms and Soviet organizations to get better knowledge of each other's export potentialities, the main directions of economic development, learn about the latest achievements in science and engineering, including new highly efficient equipment and know-how, licences. Seminars, symposia, technical conferences, shows of samples held by the Chamber in the Soviet Union are notable for their high commercial effectiveness. In 1984 the Chamber arranged 62 such undertakings in the USSR in which 59 French firms participated. More than 6,000 Soviet specialists in French ministries, departments, foreign trade associations were able to familiarize themselves with the firms' activity.

Measures taken with the assistance of the Franco-Soviet Chamber of Commerce help France's small and medium firms to appear on the Soviet market, acquaint Soviet specialists with French companies' latest technical achievements. They have become an important instrument in establishing business contacts between both countries' firms and organizations, in concluding commercial transactions, and in expanding scientific and technical cooperation.

Useful sources of information are the COMMERCE AND COOPERATION journal (total circulation 56,000), published in Russian and French, as well as YEAR-BOOK OF FRENCH EXPORTERS and FSOC INFORMATIVE LETTERS.

An important place in the FSOC activity is organizing the reception of delegations and individual representatives of French business quarters in the USSR. In 1984 the FSOC office in Moscow rendered such assistance to five French business circle delegations. The delegations included representatives from big companies and banks and also middle and small enterprises. Arranged for them were about 600 business meetings in the USSR State Planning Committee, Foreign Trade Ministry, State Committee for Science and Technology, the USSR Chamber of Commerce and Industry, foreign trade associations, branch ministries and other organizations.

Here is one of the positive results of such visits arranged by FSOC: the firm, Merlin Gerin, signed a contract with V/O Machinoimport for the sale of electric sub-stations, transformers, and concluded a contract with V/O Sudimport for the delivery of it of electrical equipment for five dry-cargo ships. At present Merlin Gerin and the USSR Ministry of Electro-Technical Industry are considering the joint development of electric switchgear.

The Franco-Soviet Chamber of Commerce greatly assisted in the successful holding of French exhibitions in the USSR and also Soviet expositions at different international fairs and salons in France, such as in Strasbourg 1984 where the Chamber arranged a meeting of Soviet specialists with representatives of business circles of this region.

Last September the USSR Chamber of Commerce and Industry had an information stand at the international fair in Marseilles. In Spring 1986 the Soviet Union will be exhibiting at the International Salon in Paris.

At the 19th General Assembly of the Franco-Soviet Chamber of Commerce, held last June at the Moscow Centre of International Trade, executives of Soviet and French foreign trade organizations devoted their speeches to a search for new efficient ways of practically helping the arrangement of commercial contacts that would strengthen links between Soviet and French organizations, firms, research centres, patent and licence establishments and departments connected with the development and introduction of scientific and technical achievements into industry and agriculture, and the Chamber's broader regional ties.

More than 250 representatives of French firms, companies, banks, foreign trade organizations and branch ministries took part in the FSOC Assembly.

The Assembly also considered the results of the Chamber's activity in the period under review and mapped out main directions of work in 1985 and 1986.

R. Nungesser was again elected the President of the Franco-Soviet Chamber of Commerce.

At the Assembly total confidence was expressed that the Franco-Soviet Chamber of Commerce would continue making its worthy contribution to the development of mutual business cooperation for the benefit of the Soviet and French peoples.

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CSO: 1812/48

EASTERN EUROPE

USSR-GDR: TRADE IN MEDICAL EQUIPMENT

Moscow FOREIGN TRADE in English No 10, Oct 85 pp 9-11

[Article by Joachim Semmelmann, general director of Leipzig MLW: "Health Service Partners"]

[Text] This year the Leipzig MLW complex of medical and laboratory equipment marks its 15th anniversary. Despite its youthfulness the complex is now the GDR's largest producer of medical equipment and has great experience of cooperation with partners in other countries. This article is about the complex's ties, tasks and prospects.

The complex's production programme is rather wide ranging from medical items of one-time use, needles, syringes, instruments, transplants, dentures and orthopaedic facilities, anaesthetic and breathing apparatus and respirators, life-saving devices, automatic analyzers and centrifuges up to designing complete sets of equipment for medical establishments and hospitals as well as for mobile and stationary laboratories and outpatient clinics.

The fact that the complex has its own research centre makes it possible for it to design and manufacture high quality goods which are recognized worldwide and in great demand.

The complex's typical feature is that it closely cooperates with well-known research organizations, users inside the country and in other countries. Prior to series production every new jointly designed product is thoroughly tested.

The complex's laboratories and test station meet the strictest hygienic and operational requirements guaranteeing high safety, reliability and quality of product.

Microelectronics is used more and more in the complex's medical and laboratory equipment. This year such will be used in 80 percent of the apparatus manufactured. Thirty percent of the goods bearing the MLW trade-mark are updated annually. The period of manufacture of over 50 percent MLW's products does not exceed five years, a fact which witnesses their modernization level.

The complex successfully combines its rich traditions of manufacturing medical and laboratory equipment with the latest scientific and technical advancements.

For instance, the complex has an industrial irradiation sterilization installation which is used to render absolutely sterile prepacked medical items mostly of one-time use.

The USSR—A Major Trade Partner

The Intermed-Export-Import foreign trade enterprise exports MLW's products to over 50 countries and offers comprehensive services ranging from consultations, planning and design up to the delivery and maintenance of equipment and the training of specialists in the client's country.

The USSR is the largest purchaser of MLW's products. At the Leipzig Spring Fair, 1985, a contract worth 17 million rubles was signed with the All-Union Association Medexport envisaging the delivery of complete mobile and stationary laboratories to the USSR.

Annually the USSR receives over 100 various-purpose complete standard laboratories. Included among the 1,500 complete laboratories already exported to the Soviet Union is Moscow's Central Agrochemistry and Fertilizer Laboratory. It is the USSR's leading agricultural laboratory.

The complex's latest speciality is a mobile outpatient clinic based on the Robur bus that has good cross-country characteristics and drive to all wheels plus all the advantages of vehicles answering emergency calls under difficult conditions. The proper material and corresponding temperature control inside the vehicle assure the unrestricted possibility of using the mobile outpatient clinic in all climatic zones.

Mobile outpatient clinics are very suitable for use at large construction projects, during expeditions and in sparsely populated areas. They ensure good working conditions for medical personnel when examining patients, for conducting researches, giving help in case of accidents and for transporting patients.

The Probaset stomatological equipment complex is well known in the USSR. Over 15,000 Soviet dentists and a large number of dentists in 20 countries use this equipment complex or its previous models. The Leipzig Fair's Gold Medal awarded to this equipment witnesses its high technical level.

Mutually Beneficial Trade

It is understandable that the GDR's trade ties with the USSR are not unilateral. During consultations on national economic plan coordination by the two countries' planning bodies the mutual goods delivery volumes are agreed. This provides the vital foundation needed for the future planning of production and foreign trade.

The long-term stable supply of the two countries' economies with high quality products is another advantageous outcome of such planning. Thus, the GDR imports endoscopic instruments and those used in medicine and veterinary science, grinding cutters and tooth root treatment instruments, dentures, breathing apparatus and respirators from the USSR.

The import from the USSR greatly promotes the GDR's medical establishments stable provision with modern equipment.

The GDR exports complete laboratories for higher educational institutions and technical schools, for agriculture, the chemical and petrochemical industries and for general industrial use, mobile laboratories for agriculture and water handling facilities, automatic analyzers, centrifuges and major laboratory equipment, hospital furniture, sterilizing apparatus, anaesthetic and breathing apparatus, syringes and needles, instruments and sets of medical equipment to the USSR.

Fraternal Cooperation in Many Spheres

The two countries' cooperation is characterized more than by broad trade ties. Mutually beneficial scientific and technical cooperation has also good traditions. An interdepartmental agreement between the two countries' Ministries of Public Health and certain industrial ministries guides scientific and technical cooperation in designing new types of medical equipment.

Since 1972 cooperation in manufacturing endoscopic instruments, medical and laboratory equipment has been realized. Both countries are specializing in manufacturing various types of equipment to avoid duplication of design and production. The USSR and the GDR satisfy all the CMEA member-countries' demands for these products.

This year an agreement on scientific and technical cooperation between relevant industrial ministries has come into force. The Leipzig complex of medical and laboratory equipment coordinates the implementation of this agreement in the GDR.

The Leipzig complex's head enterprise is working jointly with the Moscow All-Union Medical Instrument Research Institute and the Leningrad Krasnogvardeyets production association in designing sub-assemblies for anaesthetic and breathing apparatus.

The Leningrad Medical Laboratory Equipment Research Institute and an enterprise and the Leipzig complex's research centre are now jointly designing special medical laboratory equipment. The Leningrad factory of medical polymers and Kharkov factory of medical plastics and stomatological materials jointly with the Keradenta-Werk are designing a new technology for manufacturing teeth from plastics and minerals and are introducing it into production. Combined researches into new methods of packing one-time use products are under way, etc.

Two-year agreements envisage cooperation between relevant Soviet institutes and the MLW complex's production enterprises in manufacturing centrifuges (the USSR and the GDR are the CMEA member-countries' largest producers of centrifuges), apparatus for protecting respiratory organs, masks, filters, prostheses, orthopaedic devices and artificial joints.

Of special importance is the two countries' cooperation in designing complete laboratories, instruments and laboratory equipment for plant growing and animal husbandry. This year an agreement has come into force under which the MLW complex is cooperating with Sojuzelkhozchimia, an All-Union Agrochemical Production and Scientific Association serving agriculture, under the Ministry of Agriculture, the Central Institute of Agriculture, Agrochemical Service and Agropribor scientific and production association. Under this agreement it is planned to design and construct complete stationary laboratories for the qualitative analysis of agricultural produce, fodders and fertilizers. A production line for the mass analysis of fodders is being designed. Improvement of methods and facilities for the analysis of samples of soils, fodders, and plants is another subject-matter of joint R & D.

To Assure Stable Supplies

The GDR's cooperation in the sphere of medical and laboratory equipment also embraces economic aspects.

When discussing the economic development plans for 1986-1990, deliveries of goods constituting the foundation for long-term production and foreign trade are the first to be coordinated.

The MLW complex fulfills the USSR's special orders. The share of the medical and laboratory equipment export to the USSR in 1986-1990 is to reach 55 percent of the complex's total export.

The CMEA member-countries have set large-scale tasks to improve their medical services. To achieve such aims highly productive, easy in operation and reliable medical equipment is required. It is also necessary to eliminate as far as possible differences in the assortment and levels of the instruments' user properties, increase the amounts of specialized products and simultaneously expand the product exchange volume.

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CSO: 1812/48

LATIN AMERICA AND CARIBBEAN

USSR-ARGENTINA: TRADE, RELATIONS DISCUSSED

Moscow ZA RUBEZHOM in Russian No 42, 11-17 Oct 85 pp 12-13

[Article by Georgiy Kuznetsov: "Old Ties and A Growing Cooperation: Relations between the USSR and Argentina"]

[Excerpts] The Argentine Republic is an active participant in the non-aligned movement and is conducting an energetic foreign policy. It is aimed, on the one hand, on putting a stop to the arms race in the world and, above all, to that of nuclear arms, at banning nuclear weapons testing as an important step in achieving this goal, at not allowing the militarization of outer space, while, on the other hand, it is aimed at developing universal ties, including those with states having a different social system. A fruitful cooperation is developing between the USSR and Argentina, one which encompasses a broad area, ranging from politics and trade to cultural exchange and other contacts. Soon the 40th anniversary of diplomatic relations will be marked. However, the history of the ties between our countries is much longer than that: on 22 October they will be exactly one century old. "We will be glad to mark this noteworthy date," stated the Argentine senator Adolfo Hass to the author of the present report to readers. "For us relations with Russia are relations with the Soviet Union."

The Cabildo is a white-stone, two-storey building with a high bell-tower in the middle. It was precisely from here that the sound of the alarm resounded on 25 May 1810, a sound by means of which the Argentine patriots summoned the people to rise up against the Spanish domination. This building is now the Museum of the Argentine Revolution, and at its entrance stands a watch of the Civil Guards in the formation of those times--dressed in dark-blue uniforms and white trousers tucked into their boots. Wide, red sashes are tied up in large knots on the left hip. On their heads the soldiers are wearing high, black hats of the cylindrical type with colored cockades and white feathers. In their hands are rifles of the type used at the beginning of the 19th century, with fixed bayonets.

The Cabildo building and its "neighbor" across the street--the Buenos Aires Municipal Building--frame from one side the historic May Square, in the center of which rises a white-marble obelisk in honor of the revolution of 25 May

1810, while just below is a monument to General Jose de San Martin, the national hero of Argentina, who led the people in the struggle for the country's independence, as proclaimed on 9 July 1816. Looking out onto the square are the facades of buildings which house a number of ministries. Also facing here is the San Martin Cathedral, with an eternal flame in a special laup to the right of the central entrance and the remains of the "nation's father," which rest in a separate altar.

Situated on the side of May Square opposite the Cabildo is a large square around which transport flows from all sides. It has mighty palm trees amid green lawns, and located here is the Casa Rosada (The Pink House)--the official residence of Argentina's president. It was here, on a day in September, the Soviet Ambassador O. K. Kvasov visited the president of the Argentine Republic, who has played a definite role in formulating his country's foreign policy, aimed at firming up peace and the security of the nations. He is one of the authors of the well-known Delhi Declaration by the leaders of six states (Argentina, India, Greece, Mexico, Tanzania, and Sweden), which contains a demand for a halt to the arms race, above all, nuclear arms, a prohibition against the militarization of outer space, and a ban on all nuclear tests. The members of the "Delhi Six" have regarded with approval the peace-loving action of the USSR, which has unilaterally declared a moratorium on all nuclear explosions.

During his meeting with the Soviet ambassador, the newspaper CLARIN noted, R. Alfonsin gave high marks to the status of Argentine-Soviet relations. An analogous opinion is maintained in our country, and this was reflected, in particular, in the document concerning the visit by a delegation from the USSR Supreme Soviet to Argentina at the invitation of the National Congress, which took place in June of the present year. "The parliamentary members of both countries," this document declares, "expressed satisfaction with the step-by-step development of Soviet-Argentine ties, which constitute a vivid example of mutually profitable cooperation between states with differing socio-economic systems, and which are building their relations on the principles of peaceful co-existence, respect for sovereignty, equality, and non-interference in internal affairs; they also declared their readiness to facilitate their further expansion. They mentioned the great political importance of the 100th anniversary, being celebrated in October of this year, of the establishment of diplomatic relations between Russia and Argentina, and they reaffirmed their intention to mark this jubilee date in a worthy manner in both countries."

On the Argentine side satisfaction is evinced by the fact that the Soviet Union has rendered political and diplomatic support to Buenos Aires's position regarding the question of the Malvinas (Falkland) Islands, advocating a peaceful solution of this problem.

"I Evaluate Them as Splendid"

Standing in the central entryway of the Casa Rosada are national guardsmen, dressed in uniforms of San Martin's time and resting on their drawn broadswords. But this is a ceremonial guard. And it involved no complicated formalities for me, who had a previously written-out pass to enter the "Pink House," where I was received by Aldo Tesio, the Advisor to the President on

Questions of the Struggle for Peace and International Security.

"Can the instituting of the post which you occupy be regarded as testimony to the significance which Argentina ascribes to solving these problems?" The interview began with this question.

"Our government does indeed ascribe colossal significance to the cause of firming up peace because it considers the following: the arms race not only threatens mankind with nuclear annihilation but is already today leading to a situation whereby the developing countries such as Argentina and almost all the states of Latin America cannot ensure themselves of a normal economic development. You know, we have to undergo enormous pressure on ourselves, and this has compelled us to take a decision concerning the payment of our foreign debt to states which are carrying out preparations for war. And this is terrible, all the more so in that we would also, against our own will, be drawn into a conflict in case one arises. Moreover, we have even been compelled to pay for the production of weapons with the aid of which they want to destroy us. Argentina declares that the threat of nuclear war is the greatest danger menacing mankind. A human being's chief right is the right to live."

How does he regard relations between our countries?

"I evaluate the relations between Argentina and the Soviet Union as splendid. At the same time, I am convinced that there is a need to continue to expand them. The government of Argentina is satisfied with the fact that, together with the Soviet Union and other peace-loving countries, we can actively cooperate in the name of strengthening peace."

The State Secretary for Foreign Trade, Ricardo Campero, who belongs to the younger generation of leaders of the Radical Civil Union (UCR) party and who has held state posts throughout the entire term of R. Alfonsín's government, added to the picture drawn by A. Tesio by saying the following about trade and economic ties.

"We are pleased with our relations with the USSR, the principal importer of our products, all the more so in that contacts in the field of trade are important likewise for helping us to get to know each other better." Thus he began our interview.

"I am convinced that both countries have opportunities for expanding trade exchange, which so far have not been utilized for two reasons," he continued. "Argentina is trying, above all, to export its own agrarian products, whereas the USSR is selling the products of its own machine building primarily to state enterprises. And although the Soviet Union makes good machines and is in need of Argentine grain, this is not enough. Trade must be developed further. We understand that it must proceed along a street with two-way traffic. Therefore, it is necessary to seek out new forms of economic cooperation, to make broader use of contacts with private business. The quantity of goods which we are exchanging ought to be increased. And we intend to speak about this at the session of the Joint Commission on Trade which will be held in Moscow at the end of October. As regards the government of Argentina, demonstrating its political will, it will increase the volume of purchases in the Soviet

Union, applying all its efforts to do so, and during the current year the situation in this field has improved. I consider that obtaining mechanical equipment from the USSR in the amount of 100--150 million dollars a year could serve as a good base for expanding economic cooperation."

Many people in Argentina share such thoughts.

A Chamber Facilitating Commerce

Located in one of the corners of the huge port of Buenos Aires, green and ornamented with several monuments, is the sports village of Boca. When it was built some time ago, earth was poured in to form eight man-made islands, divided by canals through which people cruised in boats. And a building was erected having an original architectural design with a cone-shaped roof whose top is cut off at a slanting angle. Around it are palms, cypresses, and flowers. This building used to house a club for rich people, with spacious halls on various levels. Now situated here are the Demonstration Hall for Soviet Export Goods of the Vneshtorgreklama Association and the staff-headquarters of the Argentine-Soviet Chamber of Commerce, which has leased this building.

On exhibit in the halls are equipment for the meat-packing and canning industries, bearings, clocks, cameras, the Niva automobile, and much else, while the outdoor square alongside the building contains UAZ all-terrain motor vehicles, heavy-duty KamAZ and BelAZ trucks, truck-mounted graders, bulldozers--products from 21 foreign-trade associations, although, honestly speaking, there could be even more exhibits--because, of course, Argentine businessmen and specialists, having been connected with the West all their lives, know very little about the potentials of Soviet equipment.

In order to expand this knowledge, specialized exhibitions are regularly conducted in the hall, showing films, to which business people from various cities in this country are invited. But guests visit here continually. While looking over the exhibition with the director of the hall, V. N. Abramov, we met a representative from the provincial government of Tucuman, Juan Carlos Gonzalez, and an administrator of the road-building administration, Sergio Scopel.

"After becoming acquainted with these machines, we decided to purchase 20 truck-mounted graders and from 6 to 8 heavy-duty bulldozers," stated S. Scopel.

"We are also thinking of acquiring some UAZ's for our road-builders--we want to contribute to the implementation of this trade agreement," added J. C. Gonzalez.

"This is already the ninth province which has sent us representatives to purchase our road-building machinery. Eight of them have concluded deals and are awaiting permission from the government," commented V. D. Orlov, the USSR's deputy trade representative to Argentina.

In the Demonstration Hall we also met the president of the Argentine-Soviet Chamber of Commerce, Hector Monzon, who is the chairman of the board, i.e., the boss of the Mebonar chemical firm.

"I am an entrepreneur. In 1969 I flew to Moscow in order to make an agreement with Soyuzkhimexport concerning the purchase of products which I had previously obtained from the FRG and other countries. In Moscow I found out that there are Anglo-Soviet, Franco-Soviet, Italo-Soviet, and other chambers of commerce. And the thought came to me: why not have an Argentine-Soviet Chamber of Commerce?" Thus, Hector Monzon began to tell us about the history of the creation and activities of his "baby." And the decision was taken.

More than 60 major companies comprise the membership of this chamber. Their goal is to facilitate a better knowledge and understanding of the Soviet Union and its economy, as well as to render aid in trade and economic cooperation.

"When industrialists come here, they view films about Soviet technology and simply about the USSR, and their eyes are opened. We are now conducting advertising-explanatory work in 22 provinces of our country; we are in contact with governors, members of the provincial governments, and legislative organs. But in order to win over public opinion, we must show the goods 'in person,' and for this purpose it is necessary to increase the number of exhibits in Demonstration Hall. Argentina has many difficulties connected with its foreign debt, which has reached 50 billion dollars; there is, however, an enormous desire to develop industry. And here is where we, the chamber, can have something to say. Economic ties are part of a complex of Soviet-Argentine relations."

It has been calculated that Argentina has approximately 290 functioning large-scale industrial enterprises, 120 of which belong to foreign, trans-national corporations, pumping huge profits out of the country. In essence, their activity leads to an infringement on sovereignty and an undermining of the economy.

"The Soviet Union provides us with an opportunity to strengthen our economic independence," Hector Monzon stated in conclusion. "It is important that we acquire Soviet equipment on advantageous terms--the Argentine portion within the complex of supplies and installation is a large one, which ensures orders for the national firms and employment for the workers. I particularly wish to mention the importance of your experience in building hydroelectric power stations. We already obtain more than 27 percent of the electric power produced in this country with the aid of Soviet turbines."

From Salto Grande to Piedra del Aguila

In saying this, the president of the Argentine-Soviet Chamber of Commerce had in mind the Salto Grande Hydroelectric Power Station on the Uruguay River in the region of the city of Concordia; its equipment was supplied by the Energomashineksport. Its capacity is 1890 megawatts. It has installed 14 turbines purchased in the Soviet Union, the largest number which the USSR has ever delivered to any one foreign hydroelectric power station. According to its plan, its annual electric-power output should be 6,640 million kW. In 1983 it exceeded 9.2 billion! During the six years since the first turbine was started up some 40 billion kilowatt-hours of electric power have been produced....

It is about 30 kilometers from San Martin Square, the central one in the city of Concordia, to the Salto Grande Hydroelectric Power Station. By car it is approximately a 20-minute ride. About one kilometer from the hydro station the highway is blocked; guardhouses of the border patrol have been installed here. It would be more correct, however, to speak of two stations, each of which has seven turbines, and between them are 19 spillways, the middle one is right on the border. In this place, along the asphalt highway which runs along the top of the dam, a white stripe has been painted which separates the territory of Argentina from that of Uruguay. But the workers at the station "know no borders"--it is run by a joint commission--the administrative director is a Uruguayan, while the technical director is an Argentine. This is Luis Mendisaval, an engineer with 20 years of service, and it was in his office (located on the Uruguayan side) with a window looking out onto the tailrace and the powerhouse that we had our interview.

"Splendid equipment. It has operated for 390,000 machine-shifts from the time of start-up, and there have been no complaints lodged from our side," he said.

"Can the enterprises of Leningrad and Kharkov take pride in their products?"

"Yes, yes, yes!" replied L. Mendisaval and continued as follows: "This hydroelectric power station is the biggest in Argentina and Uruguay. The entire installation of the equipment, the adjustment, fine-tuning, and start-up--all this was accomplished within the time period specified by the contract and without any significant malfunctions. I think that this is an exceptional case in world practice."

A. D. Alonzo, who over the course of four years directed the group of Soviet specialists (it was he who showed me around the entire station), cited the following example of the equipment's reliability: at the request of the Argentine side, tests were run "at full speed of rotation," i.e., a speed such as the unit could develop under the conditions of an unanticipated drop in the load on it for any reason whatsoever, when the consumption of electric power suddenly ceases. This speed--and it reaches the limiting parameters--also defines the "durability" of the rotating parts, although in practice it is actually excluded. The tests were passed with flying colors!

"As soon as they stopped 'scoffing' at our unit, they tried it out in stress situations. However, it passed all the tests. And the main thing is that with a nominal capacity of 310 MW it operates at 320!"

This was told to me about the Costanera Thermal Electric Power Station, which supplies the capital with electric power, by V. I. Khoteyev, who has already become the chief engineer of this project. This "international" station, where units had been previously installed by the British and the Japanese, was supplied with its last and seventh unit (consisting of a turbine and a generator) by the Soviet side. It is marked by a high technical level--in the language of the specialists this is called "with super-critical parameters." There had never been such units previously, not only in Argentina but neither in Latin America as a whole. Moreover, the Soviet planners had to "write" the powerhouse with all its "power fixtures" into an already-prepared station, and firms from the FRG, France, and Argentina took part in supplying the equipment.

"Argentine engineers participated in planning the seventh unit," stated Alberto Cobrella, an engineer with the SEGBA electric-power firm who is the director of the Costanera, and he emphasized the advantages of cooperation with the Soviet Union. "Most of the auxiliary equipment was made in our country, based on Soviet plans and blueprints. Our firms took 10 million man-hours to fill these orders. In addition to this, 1500 men were employed in the installation, which took 5 million man-hours. In other words, this project provided work for many persons, and this is very important for Argentina."

"In addition to Salto Grande and Costanera, we are taking part in the construction of a thermal electric power station in the city of Bahia Blanca, a major industrial center and this country's second most important port after Buenos Aires. We supplied two power units for it and installed them on a rush schedule. We have sent trolley-buses to the cities of Mendoza and Rosario. We have sold mobile, automated, electric-power plants (PAES) to the national petroleum company, while for the coal industry we have supplied electric locomotives used in the mines." Thus the activities of the Energomasheksport Association were summed up by its representative in Buenos Aires, S. M. Shevchuk. But to "sum up the results" in economic cooperation is practically impossible because an agreement has already been signed concerning the participation by the USSR in the construction of Piedra del Aguila--a hydroelectric power station for which we need to supply six heavy-duty turbines.

When the Advantage Is Mutual

Situated not far from the port of Buenos Aires, in a region where many other government institutions are located, is the Water Transport Administration. It was here that I was received in his office, with a map of Argentina's river and sea routes on the wall, by Pedro Trucco, the chief of the administration. And his very first sentence amounted to an expression of confidence that relations between our countries in the area for which he was responsible "were and will be good." The Balt-America regular line is in operation. Approximately 80 ships from the USSR a year visit Argentine ports. A great deal of cargo is shipped out on chartered vessels.

"I am completely confident that President Alfonsin is conducting a policy aimed at developing relations with friends, and the Soviet Union is included among our friends!"

In 1981 Argentina ratified an agreement on maritime shipping which had been signed as far back as 1974. This allowed us during the following year to open in Buenos Aires an office of the USSR Ministry of the Maritime Fleet. In accordance with this agreement, consultations are held annually. The latest ones took place this summer in Leningrad.

"We are profoundly satisfied with the meeting in Leningrad, and we are awaiting our Soviet partners next year in Buenos Aires. I want to emphasize the following point: there has never been any substantial problems between us which would hinder cooperation. Therefore, I would even say that our relations were fraternal."

With regard to the future, P. Trucco did not exclude the possibility of orders for building ships in the USSR for Argentina, all the more so in that Argentina's merchant fleet is small. And there is practically no fishing fleet.

Argentines do not have have a tradition of eating fish--the annual, per capita consumption of fish amounts to only 2.5 kilograms. It was not by chance that the fish catch in 1984 amounted to only 289,000 tons.

Soviet fishing vessels operate in the open sea in the southern part of the Atlantic Ocean and in Antarctic waters. As a rule, the length of a fishing vessel's trip is set at slightly more than 150 days--half a year. After this, the crew members are granted leaves (some of them accumulate an enormous quantity of compensatory leave by working on Saturdays and Sundays!), while the trawlers and seiners put in for preventive maintenance and repairs. But just to reach home from the region of the catch in the South Atlantic takes 30--35 days. And just as many days are required for the return trip. But this means an expenditure of fuel, amortization of the machinery, and wages, without even mentioning the fact that every day without a catch means a lack of 30--50 tons of fish coming into the network. So how can these losses be avoided?

A solution has been found with the aid of an agreement signed by Sovrybflot (a sub-division of the USSR Ministry of the Fish Industry) and the Tandanor State Company concerning the participation of the Argentine side in repairing Soviet fishing vessels. And by now the drydocks which the Tandanor Wharves have at their disposal have carried out preventive maintenance on more than 30 BMRT's [large, freezer-equipped fishing trawlers] and PPR's [industrial-production refrigerator ships]. Argentine specialists perform the hull work and the major drydock repairs. Working in parallel fashion on the ships are RPK's [repair-substitute teams], taking the places of the crews, while the latter fly home by Aeroflot airplanes. Incidentally, the Moscow--Buenos Aires air bridge, opened only in 1983, is operating at peak load.

And standing by the wall right now, in fact, are two PPR's--the Ritsa and the Story-Teller Andersen. The latter already underwent repairs in Buenos Aires in February and has arrived a second time. It has not been in its home port of Murmansk for 2 years.

"This provides enormous savings," stated Captain V. V. Terentyev. "The indicators of the entire fleet have been rising."

And so, this is a mutually advantageous cooperation?

"It certainly is," affirmed the president of the Tandanor Company, Jorge Carlos Pietranera, who had just visited the USSR in order to clarify the conditions of the agreement, which will be extended automatically. He is proud of the fact that this trip had been undertaken upon the special orders of the president, something which testifies to the importance which the government ascribed to it.

In the past about 6,000 persons used to work in this company's shipyards. Now the figure is down to 1500: there are no orders. Cooperation with the USSR guarantees such orders for a lengthy period and in a planned manner.

"We are satisfied with the results of implementing the agreement, which is important not only for us but is having a positive effect on other sectors of the economy as well. We are counting on development. I assume that it would be advantageous to produce spare parts and certain types of equipment here, based on Soviet plans and blueprints. It would also be possible to repair Soviet ships bound for Bahia Blanca, while they were waiting their turn to be loaded with cargo. And what do new orders mean? They mean new jobs and help in overcoming a serious economic situation."

Bahia Blanca is the principal grain port. However, its insufficient throughput capacity hinders and holds up exports; this has a negative effect on the entire economy. Furthermore, a misfortune occurred there in 1984: an explosion and a fire took place.

Pedro Taramasco, the captain of the port of Bahia Blanca, told me the following:

"The government has made a policy decision to modernize the port of Bahia Blanca, and this will permit us to increase its throughput capacity from 6 million to 10 million tons of cargo per year. We must carry out the first phase of this modernization by our own efforts. As regards the second, more complex phase, it will be let out for international bidding, in which the Soviets will also be invited to participate. By the way, loading ships headed for ports in the USSR is one of the principal trends of this port's operation. The need to modernize has become particularly urgent following the explosion, which destroyed a large grain elevator and damaged some moorings.

The negotiations on the question touched upon by Captain P. Taramasco have been going on for some time already. What we are talking about involves a considerable amount of work, beginning with deepening the port's aquatorium and constructing mooring berths (and also supplying them with up-to-date equipment) to erecting silos for storing grain and building grain elevators.

As stated by the newspaper NUEVA PROVINCIA, which comes out in Bahia Blanca, the Soviet trade association Tekhnostroyeksport, in conjunction with the Italian firm Ansaldo has officially made a proposal to the Committee for Economic Development under the President of Argentina for the purpose of modernizing these facilities and handing them over in "turnkey" condition. It likewise proposes significant participation on the part of Argentine firms. It is undoubtedly true, the newspaper noted, that carrying out this plan would facilitate the expansion of economic cooperation between Argentina and the USSR.

Railroads To Be Converted to Electric Traction

And at the beginning of September the Tekhnostroyeksport signed a contract with Argentina's Railroad Administration regarding the performance of planning operations for electrifying the 112-kilometer section of track between Buenos Aires and Mercedes. After the plan has been approved, it is proposed to begin the second stage--electrification. As has already become a tradition, the earthwork and the construction-and-installation operations will be performed by the Argentine side. The USSR will supply all the necessary technological and electrical-engineering equipment, will ensure its installation, adjustment, and start-up operation; it will assign specialists for these purposes.

"This is a very big step forward in the economic and technical cooperation between the USSR and Argentina. The electrification of railroads is a cause which looks to the future: the effectiveness and level of operation are increased, and the environmental protection is improved. We will do the work in such a manner that the contract will be fulfilled on schedule and with good quality," said Tekhnostroyeksport Chairman D. M. Shpiler at the ceremony.

Jose Luis Salmeron, the administration's chief, declared to me, "I wish to speak on behalf of the Argentine Railway Administration and express satisfaction with the fact that the contract has been signed. It provides for the use of the latest technology and the involvement of Argentine engineers. The results obtained from the research can be utilized in both Argentina and the USSR.

The signing of this contract was preceded by an attentive familiarization of the Argentine specialists with the operational experience and equipment of the railroads which have been converted to electric traction in the Soviet Union.

A complex mosaic of bilateral trade-and-economic relations has been made up of a great many elements. But, of course, the sphere of cultural exchange is likewise enormous. Thus, during the present month the Puppet Theater directed by S.V. Obrastsov begins a tour appearance in Buenos Aires, and then they are anticipating the renowned Bolshoi Theater there. The Society for Cultural Ties with the Soviet Union has been working actively.

Upon visiting its staff-headquarters, I was told that now, after the fall of the military regime, under the government of R. Alfonsin, it has become much easier to be friends of the Soviet Union, and, therefore, the work has become more diverse and interesting. The principal reason is that the political climate has changed. And people are not afraid, as they were before, to openly express their sympathies for the Land of the Soviets, although, of course, the concealed reactionaries are still strong and could inflict a blow from their corner. And I am reminded of the words of an old physician, Antonio Santich, whom I met in Concordia.

"Our countries are divided by enormous distances. But for the feeling of friendship which most Argentines experience toward the USSR these distances are no hindrance, all the more so when we have the opportunity to share things with Soviet people. Your specialists who took part in building the Salto Grande have left very many good friends in our city. And this is no less important than building a hydroelectric power station...."

2384

CSO: 1807/62

MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

ISRAELI-U.S. 'STRATEGIC COOPERATION' IN TUNIS BOMBING HIT

Moscow KRASNAYA ZVEZDA in Russian 6 Oct 85 p 3

[Article by V. Vinogradov, KRASNAYA ZVEZDA reviewer under "Military-Political Review" rubric: "The Stake on State Terrorism (Tel Aviv's Piratical Action. Washington Rewards the Israeli Bandits. The Way to a Just Peace in the Near East is Known)"]

The Tel Aviv rulers have brazenly challenged the entire world community. Tuesday morning, the first of October, Israeli aircraft subjected Khamam, a suburb of Tunisia's capital city, to a barbaric bombing attack. The six aircraft, which flew more than 2000 kilometers, dropped 500-kilogram bombs and fired aviation rockets. This deliberate act of aggression killed and injured more than 150 persons and resulted in large-scale destruction.

Tel Aviv reports that the Israeli air strike was against the Palestine Liberation Organization headquarters in Khamam. As is known, this headquarters is in Tunis at the invitation of the nation's government. And of course no one has given the Zionist leadership the right to act in such an uncereceremonious way that contradicts international law and humaneness. This is all the more so because the victims of this piratical act were not only and not so much Palestinians as peaceful Tunisian inhabitants.

The entire progressive international community and all sober-minded people angrily condemn Israel's flagrant act of aggression. But it is indicative that Tel Aviv itself not only openly proclaims its bloody crime but also openly declares that it will make such strikes in the future as well.

Israel, which has raised terrorism to the level of state policy, has more than once committed acts of banditry against sovereign states situated hundreds and even thousands of kilometers distant from its borders. So it was in 1976 when Israeli commandos carried out a raid at Entebbe Airport in Uganda that resulted in numerous human fatalities. So it was in 1981 when Israeli aircraft conducted a gangsterly raid against a nuclear research facility in the vicinity of Baghdad, Iraq, which also resulted in the death of peaceful citizens and extensive destruction. The commentaries at the time noted that the Israeli air pirates were guided to their objectives in Iraq by American AWACS aircraft based in Saudi Arabia.

It is entirely logical to assume that Israel was assisted by the Pentagon this time as well. After all, Israel's planes flew over the Mediterranean which is literally teeming with ships of the U.S. Sixth Fleet, including ships that are outfitted with the most powerful radioelectronic gear. This assumption is also prompted by the official White House reaction to the present Israeli raid. Not only did Washington not condemn the bandit-like attack, but even cynically proclaimed this terrorist sortie by Tel Aviv, which killed entirely innocent people, to be a "legal act of self-defense."

It should be emphasized that Israel carried out this "act of self-defense" at a time when the USA was launching the next round of diplomatic activity regarding the Near East question. At Washington's invitation, the USA was visited by President Mubarak of Egypt and King Hussein of Jordan. They were received by the U.S. President. Official representatives of the American administration and the head of the White House did not conceal their intention to use the talks to foist their version of regulation on countries in the region. To all appearances, the Israeli raid fits the framework of similar U.S. efforts since the roles between Washington and Tel Aviv are distributed beforehand. With the knowledge of its partner in the anti-Arab "strategic alliance," Israel continues to follow its aggressive course, to intimidate neighboring--and not only neighboring!--countries by force of arms while the United States acts in the role of "peacemaker" and maintains that it alone can "bring peace between Jews and Arabs."

But such "American-style peace" is aimed at one-sided concessions by the Arabs. This has also been demonstrated by the talks that were held. The White House pressured Egypt and Jordan to support more actively American "initiatives" in the Near East. The selfsame "initiatives" that basically contradict the real interests of the Arab peoples and especially of the Arab people in Palestine.

The USA does not only use "unleashed Israel," so to speak, as a means of pressuring Arab countries. American aid in the amount of \$1 billion has been promised to Egypt in the new fiscal year; Jordan has been promised \$1.55 billion in military aid. The list of American weapons offered to Amman is impressive: 40 fighters, 300 aviation rockets, over 100 Hawk antiaircraft complexes and Stinger rockets, and 32 armored personnel carriers. But Washington emphasizes that these promises will be kept only if Jordan promises to begin direct negotiations with Israel.

But the Washington administration supplies arms to Israel without demanding any particular commitments from Tel Aviv. And Reagan himself has declared: "I remain a staunch supporter of such aid so that Israel might retain the decisive superiority that it presently enjoys in the region over potential enemies in any combination." And with American military and economic aid, Tel Aviv is able to maintain such "superiority." Thus in the concluded fiscal year, Israel received almost \$4 billion in financial subsidies from the other side of the ocean. American aid in the same astronomical amount is also scheduled for fiscal year 1986.

Such generous American aid undoubtedly encourages the Zionist leaders in Tel Aviv to pursue a harder line in foreign policy and to commit new bloody

crimes against Arab peoples. But at the same time, it permits the United States to strengthen its own positions appreciably in the Near East. The point is not only that Tel Aviv defends American interests in the region at the same time that it uses American weapons. In exchange for military deliveries, the Pentagon has gained access to Israeli naval and air bases and has also begun using Israeli territory as a base for stockpiling heavy armaments--tanks, armored personnel carriers, artillery weapons, and rocket launchers for its rapid deployment force for use in the Near East.

But while using its support to encourage Tel Aviv to continue its criminal policy against the Arab peoples, Washington itself is also prepared to strike them with its mailed fist. This is evidenced not only by the naval armada that the Pentagon continuously maintains in the Eastern Mediterranean and that has already attacked sovereign Lebanon. Large-scale U.S. maneuvers carried out under the code name Bright Star 85 confirmed the fact that the Pentagon has definite plans for armed intervention in the affairs of Near East countries. In the course of a large-scale military demonstration, the major participant in which was the notorious rapid deployment force, American units were active in Egypt, Jordan, Oman, and Somalia. With the support of the air force and navy, they rehearsed sea and air assault operations.

And recently, the USA began practical preparations of the next military maneuvers in the Near East. The Pentagon has begun transferring the military personnel and equipment necessary for a major assault to one of its Egyptian bases. Washington justifies the "necessity" of a new demonstration of force in Egypt as being due to the "persisting instability" in the region. But first, military maneuvers have never had a stabilizing effect in troubled regions. To the contrary, they always only heat up the situation and lead to new complications. And, second, the cause of the "persisting instability" in the Near East is the openly aggressive, expansionist policy of the "United States' strategic ally"--Zionist Israel.

This is the Israel that acts of its own accord and through its own agencies, that does its utmost to prevent the normalization of the situation in Lebanon and in so doing frustrates all efforts to reconcile the opposing sides. At the same time, there are unceasing attacks from Tel Aviv on Syria; the Israeli leadership is threatening to "teach Syria a lesson" and "put Syria in its place." This is why the Israeli war machine basely attacked Tunisia. Thus we see that the USA did not by any means need maneuvers to strengthen stability in the region. By flexing its military muscles, Washington is openly pressuring the Arab countries, is trying to force them to accept American-Israeli conditions for "regulating" the Near East problem and to make separate deals.

Such a terrorist policy by the USA and Israel encourages extreme right-wing groupings in the Near East. On 30 September, one of them took four members of the staff of Soviet institutions in Lebanon hostage and continues to hold them; what is more, one of the Soviet citizens was murdered. There can be no excuse for this heinous crime. The Soviet Union has always been the friend of the Lebanese and other Arab peoples and has been a consistent supporter of the preservation of the unity, independence and territorial integrity of Lebanon.

The primary source of civil strife inside Lebanon, the innocent victims of which have included Soviet citizens, is Israel which is deliberately stirring up this strife. And Israel must bear responsibility for the consequences of this, its policy.

However, as emphasized in the Declaration of the Soviet Government, this does not exonerate the direct organizers and executors of heinous acts against Soviet citizens. Those who could have prevented the criminal actions, who could have prevented the reprisal against Soviet citizens but did not do everything they could have also bear their share of the responsibility. And they must realize full well that their behavior will occasion the Soviet Union's most negative attitude toward them.

At a press conference in Paris, M. S. Gorbachev, general secretary of the CPSU Central Committee, stated firmly and clearly: "We are decidedly opposed to terrorist methods. They are unacceptable. And we have categorically spoken out on this point and have now set into motion everything at our disposal in order to find the solution to this question. I do not believe that anyone who embarks on that path will reach his goals."

With the full connivance of Washington, the brazen policy of Tel Aviv, which has also extended its aggressive tentacles to Tunis, has demonstrated to the Arab peoples the vanity of placing hope in the U.S. "peacemaking mission" and the urgency of the earliest possible regulation of the situation in the region. The great majority of the Arab countries reject American-Israeli dictates. They more and more resolutely support a solution to Near East problems that takes the lawful interests of all parties into account.

The Soviet Union's fundamental position on the Near East question was recently reaffirmed anew by Comrade M. S. Gorbachev. At a Paris press conference, he emphasized that the Soviet Union has always participated in the effort to bring about a fundamental solution to the entire situation in the Near East and will continue to do so with a feeling of great responsibility so that the situation in this region does not get out of control. Political approaches to regulation must be sought. The presence of the Soviet Union in the Near East is an objective factor and we will not abandon our role. The USSR favors collective efforts.

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CSO: 1807/071

MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

ALLEGED U.S. AID TO PAKISTAN'S NUCLEAR PROGRAM SCORED

PM031954 Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 30 Nov 85 p 3

[SOTSIALISTICHESKAYA INDUSTRIYA international observer M. Nepesov article:
"At Danger Level"]

[Text] Everyone, even people who have little to do with technology, knows that a manometer is an instrument measuring the pressure of gases and vapors. And everyone is well aware that when a manometer's needle begins to flicker and approach the red band, it is time to take urgent precautionary measures. Otherwise, disaster is unavoidable...

Something similar is currently happening in the Hindustan subcontinent or, to be more precise, in Pakistan. The only difference is that the manometer there is not a conventional one, but a nuclear one. And its needle is approaching the critical mark at an increasingly fast pace. There are many signs indicating that this country's military rulers, purposefully implementing a program for the creation of their own nuclear weapons, have reached a most dangerous point. All realistically minded figures and press organs both in Hindustan and beyond its borders, are drawing attention to this fact with legitimate alarm. Indian Prime Minister R. Gandhi recently declared that he has irrefutable proof that Pakistan is creating a nuclear bomb. "Authoritative specialists are almost certain that Pakistan is on the threshold of creating its own nuclear bomb, or that it even has it," according to T. Brokaw, commentator for America's NBC-TV.

Without going in any particular detail into the history of the creation of Pakistan's nuclear weapon, let us only recall last year's arrest of an "entrepreneur" from Islamabad, (Nazir Akhmed Vaid) by name, in the United States. He was arrested while attempting to ship to his country a consignment of 50 crytrons, miniature electronic devices (see the photograph) [the paper carries a 1-inch by 2-inch photograph, attributed to TIME magazine, showing a device with four wires at one end] used for the trigger mechanism of nuclear weapons.

These "tubes," which produce a certain quantity of electric current in millionths of a second, in other words ensure the accurate calculation of time, cannot be produced by mist or old fire, in Pakistan or anywhere

else. Even in the United States, crytrons are produced exclusively by just one company--I.G. and G. (in Wellesley, Massachusetts). The relays can be exported only under special license from the U.S. Department of State. It is not known where and how the crytrons were obtained by the Pakistanis, who, of course, had no such license.

Shortly before the crytron operation, key components for the manufacture of nuclear weapons, purchased from leading U.S. corporations like General Electric, Motorola, and Westinghouse Electric, were shipped to Pakistan via Canada.

Even before that, Pakistani agents in various West European countries secretly made massive purchases of necessary materials, various instruments, and superstrength metals. A powerful nuclear complex was built in Kahuta, near Islamabad, without any particular ballyhoo or publicity.

The WALL STREET JOURNAL, the newspaper of U.S. business circles, drew the conclusion that "Pakistan has managed to utilize the technical experience and equipment of almost all industrially developed countries in the West." It would be more accurate to say that Pakistan did not manage, but was helped and allowed to utilize it. After all, the very same crytrons which were confiscated from (Vaid) last year and whose export requires mandatory department of state sanction sooner or later found their way to Kahuta, where work is in progress on the creation of nuclear mass destruction weapons. Furthermore, they have already been used to carry out a test of a trigger mechanism. It must be also added that over the last 10 months Pakistan has suddenly commissioned two plants for the production of enriched uranium. The equipment for these plants was purchased in Britain and the FRG.

It is not clear from this that the West's irresponsible connivance has meant that a nuclear abscess has appeared and is growing uncontrollably in Hindustan. In this connection, local observers strongly emphasize the steadily strengthening American-Pakistani militarist alliance. The United States has already supplied Pakistan with weapons and combat equipment worth 3.2 billion dollars. This includes 40 F-16 fighter bombers, which are capable of delivering nuclear weapons.

The Pakistani military regime recently received assurances from the Washington administration that the United States will continue to provide financial and economic support. Islamabad counts on receiving a total of 6.5 billion dollars of U.S. military aid in 1987-1993. Bombay's well informed weekly BLITZ claims that a secret military-political agreement exists between the United States and Pakistan. According to this agreement, Washington has agreed, in exchange for Islamabad's promise to "represent the interests" of the United States in southern and southwest Asia, to assist in every way the implementation of the Pakistani rulers' militarist ambitions, including their desire to obtain their own nuclear bomb. This opinion may not be far from the truth. It is, after all, well known that Pakistan is eagerly following

its territory to be used by Afghan counterrevolutionaries, who are maintained by the United States in 120 camps there. Dozens of American advisers leading the actions of dushman gangs have infiltrated into Democratic Afghanistan across the Pakistani border.

The U.S. administration's disregard for the interests of peace and the people's security for the sake of attaining selfish immediate advantages in various parts of the globe--like southern and southwest Asia in this instance--could be costly. Especially in view of the fact that, to judge by everything, similar problems have been considered by the White House on several occasions. It was no accident that in one of his recent interviews with the BBC President Reagan noted: "There is always the possibility of a madman appearing and, as I have already said, it is impossible to destroy information about the creation of these weapons (nuclear weapons--M.N.), which could fall into the hands of maniacs."

Information about the production of nuclear weapons may not be destroyed, but some trouble must be taken--and this is simply essential--to ensure that this information, like the technology itself, does not fall into irresponsible hands.

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CSO: 1807/125

MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

U.S. AIMS, ISLAM'S ROLE IN MIDDLE EAST CONFLICT DISCUSSED

Moscow NEW TIMES in English No 48, Nov 85 pp 18-22

[Article by Leonid Medvedko, D. Sc. (Hist.)]

[Excerpts] There is a good deal of talk in the West about what is called the revival of Islam. In the Moslem East it is objected, and with good reason, that what is in question is not so much a resurgence of Islam, for it has in no sense been on the decline, as its new political awakening. In some cases this awakening is anti-imperialist, and in others, counter-revolutionary, reactionary in character.

Ever since the political forces of Islam dealt the death blow to the régime of the Shah in Iran and assassinated President Sadat of Egypt, both of whom were the United States' main allies in the Moslem world, Washington has been trying to neutralize the negative consequences for itself of the "Islamic upsurge," which in some respects has backfired on neocolonialism. It should be noted that this "upsurge" has turned out to be a militarist boomerang also for the Moslem world itself.

Power Doctrines

The U.S. and its NATO allies are looking for a way out in a new militarist spiral. They are seeking to compensate for their failures in politicizing Islam by militarizing it, by involving the Moslems in Washington's global and regional hegemonistic plans, reanimating doctrines of power politics.

This is no new departure. Washington has repeatedly attempted to try out these doctrines in the Moslem world, specifically in the Middle East. Former U.S. Secretary of State, retired general Alexander Haig had good cause to describe the region as an "operating laboratory" for military-political experiments. Of the four foreign policy doctrines associated with the names of postwar U.S. Presidents, three have related to the Middle East. These doctrines, sponsored by Truman, Eisenhower and Carter, were spearheaded against the Soviet Union. At the same time they had a barely camouflaged anti-Arab, anti-Moslem character, differing only as regards the strong-arm methods and combinations of these methods used.

As distinct from his predecessors, President Reagan has opted not for a comprehensive doctrine but for "a plan for regional settlement" which turned out

to be a euphemism for fanning the Middle East conflict. It soon became obvious to all, including the Moslems, that the Reagan plan was not an instrument of diplomacy but of bellicose militarism.

Lenin in his time qualified militarism as a "vital expression" of capitalism. In pursuance of its hegemonistic ends, U.S. monopoly capitalism took the place of the former colonial rulers in combating the national liberation movements. In the postwar period the U.S. had been involved directly or indirectly in all the interventions, wars, and punitive or subversive operations against the Moslem peoples. The traditionally Islamic Afro-Asian region found itself in the epicentre of counterrevolutionary wars and local conflicts. It became truly a proving ground where imperialism more and more frequently uses armed force against the national liberation and revolutionary movements.

Vicious Circle

Since World War II, according to Soviet and foreign experts, there have been more than 100 so-called limited wars. Counting all the other large-scale local conflicts differing little from wars, the total runs to some 300 in all, in which more than 20 million people have died. This is double the death toll of the first world war and nearly half that of World War II. In the first world war 38 countries were involved and in the second the hostilities extended to the territory of roughly 40. The small wars since then have affected more than 60 Third World countries. At least half of them belong to the Moslem world. Hundreds of thousands of Moslems have died in the national liberation struggle against the colonialists, old and new. Tens of thousands of Arabs have been killed and hundreds of thousands maimed in the course of the aggressive wars waged by Israel and as a result of its policy of state terrorism. Today this policy has been joined by the Zionists' strategic ally, the United States.

The largest number of Moslems--Pakistanis and Indians, Arabs and Iranians, Asians and Africans generally--have died in local conflicts engineered by imperialism. Suffice it to mention that in the Israeli and U.S.-provoked internecine strife in Lebanon and in the senseless Iranian-Iraqi war more Arabs have died than in all the Arab-Israeli wars taken together.

Imperialism, Zionism and the reactionary circles in the Islamic countries themselves are out to weaken the patriotic and progressive forces of these countries, to break away from the worldwide anti-imperialist front and to isolate them from the Soviet Union and the other countries of the socialist community. At the same time the emphasis is placed on building up militarism in the Moslem world.

Here are some examples. At first the internal strife in Lebanon was used as an excuse for Israeli aggression and American-NATO intervention primarily against the Palestinians. Later, the split in the Palestinian movement provoked by the U.S. and Israel was a pretext for punitive operations against the Lebanese themselves. Now, against the background of the acute Lebanon crisis, Tel Aviv and Washington have embarked on a new round of state terrorism against the Palestine Liberation Organization, Tunisia and even Egypt, the sole Arab participant in the Camp David process. Threats are being

stepped up against Syria and Libya. The question arises: who will be the next target in this chain of anti-Arab actions? Algeria, the People's Democratic Republic of Yemen, Sudan or the Yemeni Arab Republic? Or perhaps Jordan, Kuwait or even Saudi Arabia which have also given sanctuary to Palestinians? In any case one thing is clear: not a single Arab country is guaranteed against American-Israeli brigandage.

Inordinate and Dangerous Burden

The growing military spending of many Moslem countries is out of all proportion to their national income. True, the size of their armed forces is often justified by the need for defence against the Israeli aggressor. However, in countries like Iran in the Shah's time or Pakistan, the army, to cite Engels, has become "an end in itself" and "the peoples are only there... in order to provide and feed the soldiers." The Moslem countries of the Middle East, especially the oil monarchies which for military spending are far ahead of even some industrial capitalist countries, are rightly considered to be the record-holders in this respect. Their average annual growth in military spending exceeds the world average several times over.

The involvement of Moslem countries in the arms buildup helps imperialism to strengthen its military and political positions in these countries, to influence their policy in peacetime, and in the event of war creates a direct threat to their sovereignty and independence. Saudi Arabia and some other Middle East monarchies, for instance, lack the know-how to make full use of the up-to-date military technology supplied to them. But Washington is least of all concerned with heightening the combat capability of Moslem armies. It has an altogether different purpose. By making the oil monarchies create a military infrastructure (air fields, parts, storage facilities, communications) and buy as much armaments as possible, the U.S. and NATO count on using all this in crisis situations. The turning of Moslem states into arsenals is becoming an important component of neocolonialist strategy.

The deliveries of weaponry are accompanied by an increase in the influx of advisers and experts. According to the Kuwaiti weekly Al-Hadaf, by the beginning of 1981 there were more than 5,000 U.S. experts serving with the Egyptian army. By the end of the 1970s there were 80,000 Americans in Iran and Saudi Arabia. It was intended to increase their number to 150,000, but the developments in Iran interfered.

'Islamization' at Gunpoint

Washington could once again see for itself that there are very definite limits to cooperation of the monarchies and pro-Western governments with neocolonialism. The White House began to give preference to the dictatorial regimes. To prevent the politization of Islam from below, these regimes are seeking to impose "Islamization" of the state and social structures in their countries from the top.

On the one hand, they are tightening control over the fundamentalists, especially underground organizations connected with the Moslem Brotherhood. On the other hand, military dictatorships like that of Nimeri which was overthrown

in Sudan are making overtures to Right-wing Moslem quarters. The assassination of Sadat frightened Nimeri to such an extent that he began to pose as more of a Moslem than the Prophet himself. He personally headed the campaign for the "total Islamization" of the country, introducing the laws of the Shariat and medieval punishments. Nimeri "counter-balanced" these excesses by playing up to the United States. His manoeuvrings between "Islamization" and "Americanization" of the country only added to Sudan's difficulties and problems. It sank deeper and deeper into the quagmire of civil war and economic crisis.

As might have been expected, the accumulated discontent led to an explosion. The regime that had served as a cover-up for Nimeri's dictatorship collapsed. If Sadat had died as a result of the Camp David "surgical operation," the Nimeri regime succumbed to the "medication," as the Christian Science Monitor put it. The British Economist summed up the situation thus: "The process known as 'Islamization,' which has affected so much of the Moslem world, may have peaked. The business of making all aspects of life--politics, law, economics, the family--conform to Islam has proved more difficult than some Moslems had hoped." But "some leaders, such as Pakistan's President Zia...tried to use Islam to legitimize themselves in the eyes of largely Moslem populations."

It will be recalled that the Zia ul-Haq regime, which came to power in July 1977, proclaimed a "truly Islamic order." As distinct from Iran, it began to be enforced with the help of the army. While the Iranian theologians carried out the Islamic invasion of politics in their own way, General Zia ul-Haq and his entourage tried to legalize the "militarization" of religion by declaring it their duty to defend the dominant ideology--Islam.

The camouflaging of the dictatorship behind an Islamic facade, the implanting of a truly medieval order and the infringement of elementary democratic freedoms are meeting with the growing resistance of the progressive forces. The results of the "referendum" staged in December 1984 and the February 1985 "general election" showed, in the opinion of the London Economist, that Zia ul-Haq had failed to put through his programme of "Islamization" by armed force. Even according to clearly doctored figures, no more than 10-15 per cent of those with the right to vote took part in the referendum, and in the general election the Moslem fundamentalist candidates suffered a defeat.

There is clearly a marked difference between the militarized Islam of General Zia ul-Haq, the Shiite Islam of Khomeini, the "moderate Islam" of many rulers of Moslem countries and the frankly pro-Western variety represented by Sadat or Nimeri. Nevertheless these are distinctions of form rather than substance. No matter who implants Islam--the clergy or the monarchs, civilians or military men--and whether it is implanted from below or from above, all forms of "Islamization" of regimes based on the preservation of exploitation and social inequality are projected not to the future but to the past. They are reactionary by virtue of their social and economic essence inasmuch as their purpose is to use the green flag of Islam to embellish capitalist or even precapitalist relations.

The reactionary substance and counterrevolutionary tendencies of political Islam of course are fully consonant with the interests of the imperialists. Behind the smoke screen of religious ritual they would like to hide their neocolonialist objectives and to lay a groundwork of religious ideology under the idea of an anti-communist, anti-Soviet "crusade" or Islamic jihad. Inasmuch as most Moslem countries are integrated in the capitalist system or are at any rate closely linked with it, the imperialists would like to see in Islam not only an ideological but also a political ally.

But to wish is not always to succeed. The hegemonistic aims of the United States and of the neocolonialists in general inevitably come into conflict with the liberation struggle waged by the peoples of the Moslem countries. This struggle is objectively anti-imperialist. Leaders of Moslem states, whatever their title, office or military rank, cannot but take into account the sad fate of the Shah, President Sadat and General Nimeri. Prompted by pragmatic considerations, the conservative ruling quarters of such countries are at times compelled willingly or unwillingly to side with their peoples' struggle against imperialism and Zionism. This became particularly apparent after the United States and some other NATO countries became direct accomplices in the Israeli intervention in Lebanon where Lebanese Moslems and Palestinians—both Sunnites and Shiites, Druses and Alawites were slaughtered indiscriminately. American newsmen who witnessed the tragedy had to make the painful admission that the Sixth Fleet ships "killed Arab faith in the United States."

In these circumstances Washington proceeded to strengthen its strategic alliance with Tel Aviv and to balance it with an axis with Pakistan on the other flank.

Terrorist Springboards

Israel and Pakistan have been assigned the role of American springboards of direct confrontation with the socialist world and the national liberation movement of the Moslems. Israeli aircraft drop bombs and missiles on Palestinian refugee camps and Arab villages, even capitals of Arab states. These actions meet with the full approval of the White House. Washington and Tel Aviv send in saboteurs and hired killers who sometimes masquerade as Islamic extremists. Islamic terrorist organizations financed by conservative regimes are widely used as cover. Moslem reactionaries try to present the terrorist acts as a holy war against the "infidels." They make it appear as if there were no difference between the Arab resistance to Israeli aggression and the banditry of the counterrevolutionaries in Afghanistan. As often as not imperialist and Zionist circles stand behind the acts of violence committed by the Islamic terrorists against both Soviet citizens abroad and their own "brothers in the faith." Thousands of patriots in Afghanistan and Iran, Syria and Iraq, Pakistan and India have been killed by Moslem extremists. It is they who organize provocations against Soviet diplomats, not stopping at murder, as was the case recently in Lebanon.

Islam and the Problems of War and Peace

Islam, which asserted itself as a political force later than any other religion, has proved to be the most political of faiths. It is hence natural that in our time when the question of life and death is posed in an entirely new way, when it has become a matter of the survival of the human race, Islam, like other religions, cannot hold aloof from the political struggle around the problems of war and peace. The fate of millions of people, Moslems and Christians, believers and non-believers, depends on whether it will become captive to nuclear militarism or a supporter of peaceful constructive endeavour. In this nuclear age peace is more indivisible than ever before.

In the conditions of the tension whipped up by Washington the nuclear threat is particularly menacing. It has both a global and a regional aspect. The Moslem world is regarded as a testing ground for a new concept of armed neo-colonialism in a nuclear variant. The idea is to mount under the flag of anti-Sovietism and anti-communism an offensive against the revolutionary and national liberation movements in Asia and Africa. In other words, to try out Washington's global strategy of confrontation with the Soviet Union on the regional level first.

In this connection many Moslem countries are faced with the threat of American re-colonization. The design is to accomplish this through provoked internecine conflicts and local wars which will be used to justify the militarization of the newly independent countries and to "legitimize" armed imperialist intervention. It was in the framework of this neo-colonialist doctrine that the Israeli aggression and U.S.-NATO intervention in the Middle East were effected in 1982. This was not simply a throwback to colonialism, but a rehearsal of a new crusade against the Moslems. The aggression took the form of undisguised brigandage, accompanied by the slaughter of the Moslem population of Lebanon, especially the Palestinians. Thus, Zionism and imperialism in the Middle East in effect followed in the footsteps of fascism defeated 40 years ago.

However, there is another factor which distinguishes modern neocolonialism from the old, classical colonialism. The nuclear factor. Taking advantage of the fatalism supposedly inherent in Moslems, Washington seeks to cultivate among them indifference to the arms race and the prospect of nuclear war. They are told that nuclear war is a threat only to the nuclear powers. Nothing could be more dangerous than this delusion. Further, militarist plans are served up as having a bearing on the newly liberated countries' security interests on the false premise that they offer protection against the supposed "communist threat." By persuading the leaders of the national bourgeoisie that its interests are identical with those of the monopolies, imperialism is seeking to impose its political and military diktat on these countries and to prevent cooperation between them and the Soviet Union and the other countries of the socialist community.

The nuclear implications of such designs add to their sinister purport. In the nuclear age peace is not only a blessing, it is the main precondition of survival. Regardless of the fact that some believe in a heavenly paradise

and others prefer to build it on earth, all men are duty bound to protect life and pass it on to posterity along with faith in their lofty ideals. In the final analysis, as Lenin wrote, "unity in this...struggle of the oppressed class for the creation of a paradise on earth is more important to us than unity of proletarian opinion on paradise in heaven."

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CSO: 1812/56

23 January 1986

MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

ISLAMIC ANTI-SOVIETISM, WESTERN THREAT TO MUSLIMS VIEWED

U.S. 'Crusade' Against Islam

LD260731 Moscow TASS in English 0620 GMT 26 Nov 85

["Islam and Problems of War and Peace"--TASS headline]

[Text] Moscow, 25 Nov (TASS)—Nowadays, when the survival of mankind is at stake, Islam, as well as other religions, cannot remain aloof from the political struggle around the question of war and peace. The fate of all mankind, Muslims or Christians, believers or non-believers, depends on its solution. In the nuclear age, the world becomes indivisible as never before, Soviet publicist Leonid Medvedko writes in the latest issue of the NEW TIMES weekly.

In the conditions of tension, whipped up by Washington, the nuclear menace has both global, and regional aspects. Attempts are being made to rest in the Islamic world a new concept of military neo-colonialism in its nuclear version--to launch an offensive under the banner of anti-Sovietism and anti-communism against progressive movements in Asia and Africa, and to try out Washington's global strategy of confrontation with the USSR first at the regional level.

In this connection, many Islamic countries are facing the threat of American neocolonization. The stake is on internal conflicts and local wars which are used to justify the militarization of the newly-free countries and "legalize" imperialism's armed interference. It is within the framework of this neocolonization doctrine, says the NEW TIMES, that the 1982 Israeli aggression and the American-NATO intervention were carried out in the Middle East.

That was a rehearsal for a "crusade" against the Muslims. The aggression was accompanied by genocide with regard to Lebanon's Islamic population, especially the Palestinians. Zionism and imperialism took in the Middle East the relay baton from fascism, defeated 60 years ago.

One factor, however, makes modern neocolonialism different from "classical" colonialism. This is a nuclear factor. Taking advantage of fatalism, allegedly intrinsic in Islam, Washington would like to see the Muslims apathetic towards the arms race and the possibility of nuclear war. It is claimed that a nuclear war threatens only nuclear powers. This is an extremely dangerous delusion. There are attempts to link the militarist plans with the security interests of the newly-free countries under the false pretext of defending them against the "communist" threat. Imperialism wants to impose its political and military diktat and undermine these countries' cooperation with states of the socialist community.

The nuclear basis of the plans, the writer observes, make them even more sinister. In the atomic age, peace is not simply a privilege, but the chief condition of life. Irrespective of whether people believe in the celestial paradise, or prefer creating it on earth, they ought to defend life and hand it over to their offspring together with the faith in their radiant ideals.

Iran's Anti-Sovietism Assailed

NC051306 Moscow in Persian to Iran 1700 GMT 4 Dec 85

[Unattributed commentary: "What Continuity in Politics is ABRAR Talking About?"]

[Excerpts] Continuity in politics has become a widely-discussed topic in Tehran among Iran's religious, political, and social circles with the announcement that Ayatollah Montazeri has been chosen to succeed Ayatollah Khomeyni. The ABRAR newspaper has also decided to participate in these discussions. This newspaper alleges that the selection of Ayatollah Khomeyni's successor stems from the Iranian leadership's wish to learn from mistakes made in the revolution in Russia and other countries.

Let us see what ABRAR considers to be the mistake in our revolution. Apparently, the CPSU's error was that it condemned Trotskyism as a sham revolutionary trend and as an enemy of Marxism-Leninism and of revolution and socialism. Parallel with this view, ABRAR attributes the role of the heir and perpetrators of Marxism-Leninism to the Trotskyists. This newspaper goes so far as to claim that the purge of Trotskyists from our party's ranks prevented Leninist policy from being continued.

Of course, an expression of sympathy with the continuity of Soviet policy by ABRAR--which often acts as a mouthpiece for anti-communism and anti-Sovietism--is a manifestation of outright duplicity. Moreover, an inappropriate attempt to equate Leninism and Trotskyism is not the exclusive discovery of this newspaper. ABRAR has borrowed this unsuitable method from the imperialists' anti-communist propaganda machinery. It is trying to obstruct the growing popularity of Lenin's teachings throughout the world, and to portray Marxism-Leninism and the reputation gained from the construction of a socialist system in the country of the great October Revolution as a caricature. Thus, it is no accident that U.S. news agencies are so widely publishing

and disseminating the opinions of this Tehran newspaper. It is also no accident that anti-communists, whether attired in European tail-coats or in turbans, are uniting their efforts to distort and smear the CPSU's policy. This is especially true now, when the Soviet people are publicly discussing and debating the draft of the CPSU's new program and constitution and the program for social and economic progress in the years 1986-90 and until 2000.

After all, the experience gained from the CPSU's domestic and foreign activities and the revolutionary experiences of other countries and nations have all been drawn upon in the compilation of these documents. This, together with the entire process of preparing for the 27th CPSU Congress, provides very clear evidence of the existence of continuity in our country's Leninist policy.

During the recent USSR Supreme Soviet meeting in Moscow it was stressed that cooperation with countries that have been liberated from the chains of colonialist oppression and have joined the Nonaligned Movement is constantly expanding. Big steps have been taken in the development of the Soviet Union's relations with many of these countries; and in the stormy ocean of current international relations, this is an important factor which is to the advantage of peace, equality, and the freedom and independence of nations. It should be stated that this factor is to the advantage of the Iranian people's independence and social progress as well. As for the existence or not of the continuity of Leninism in the CPSU's policy, the Iranian people base their judgement on the fact that all through the various stages of the history of Soviet-Iranian relations, the Soviet Union has helped Iran in the growth and progress of its national economy and in the consolidation of its independence and sovereignty.

It is very clear that the consolidation of good-neighborly relations and cooperation between the Soviet Union and Iran meet the basic interest of both nations. It is only those circles in Iran that are interested in continuing the policy of the enemies of the 11 February Revolution, in smearing the revolutionary experiences of other countries, and in displaying devotion to imperialism and reaction, that do not favor this process.

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CSO: 1812/44

MIDDLE EAST/NORTH AFRICA/SOUTH A.A.IA

SUPPORT FOR AFGHAN REBELS SEEN HINDERING USSR-PAKISTAN TIES

BK261450 Moscow in Urdu to Pakistan 1100 GMT 25 Nov 85

/Aleksandr Korolev commentary/

/Text/ Our listeners' letters often refer to the issue of Soviet-Pakistan relations. One of these letters deserves special attention. Moscow Radio's listener from Ullan, Mohammad Afzal, recalls in his letter that during the 1970's we were enjoying intimate, favorable, and steady relations with the Soviet Union. The relations were most cordial in the economic field. My son now works in the Karachi steel mills where construction work began with Soviet experts. But for some time now a shadow has been cast on our intimate relations. Why is this happening? What is preventing us from further consolidating good-neighborly relations?

The question is very complicated, but it is essential to understand this because your letters reveal that like the people of the Soviet Union, your country's people also sincerely want to see the promotion of good-neighborly relations between the Soviet Union and Pakistan. We know that this process is influenced by those various elements who either could accelerate it or retard it or even reverse it. Of course, the fundamental willingness of the people to strengthen good neighborliness and cooperation is the most important factor of all. So are our two countries ready to do this?

As far as the Soviet Union is concerned, the draft Soviet program and past years experience both prove the Soviet Union's readiness. In this connection a few lines of the new edition of the CPSU's program are worth mentioning. These say that the CPSU has all along been pursuing the line of promoting friendly relations with newly independent nations. It has sincere feelings for the aspirations of these people who had to bear the burden and (?cruel) crimes of neocolonial slavery.

Of course, the people of Pakistan are included among these nationalities. We are ready to increase cooperation with the people of Pakistan for strengthening peace and good neighborliness on the basis of respect for sovereign equality. Various statements by representatives of the Pakistani leadership also suggest that Islamabad has no objection to the improvement of relations with the Soviet Union. We in no way want to doubt these words. But, we still consider it appropriate to repeat that the promotion of bilateral relations

is based to a large extent on concrete measures. It will also not be inappropriate to recall the adverse effect on Soviet-Pakistan relations when Pakistan took the step of joining the military blocs of SEATO and CENTO. These blocs were created with the excuse of security of other nations but the fact is that they served the aggressive aims of the imperialist quarters. However, it is not fortuitous that at that time Soviet-Pakistan relations were not particularly cordial. After many years Pakistan quit these blocs and became a member of the Nonaligned Movement. Pakistan's measures reflected its concern for national interests and it had a positive impact on the promotion of favorable relations with others nations including the Soviet Union.

Now once again something has come in the way of these relations. Mohammad Afzal from Mullan asks, after all what is the obstacle? Perhaps, by now dear Mohammad Afzal will himself realize while assessing the problem that compared to the last decade the situation in your region has changed. The situation has become so tense that it could now be said that this region has become a new center of international tension, the reason for which should be known to you. It relates to events in Afghanistan, the true (nature) of which is falsified by Western propaganda. But even in the background of these false stories the U.S. press often hints that the CIA is carrying out its biggest secret operation in Afghanistan. The CIA, using the excuse of support for so-called freedom fighters, sets up mercenary gangs on Pakistan's territory and sends them to Afghanistan. The aim of these groups is to worsen the situation in Afghanistan and overthrow its revolutionary government with which the U.S. Administration has adopted the attitude of open hostility. That is how a (?crisis ridden) situation has been created in your region which has affected relations among those countries that are somehow or other drawn toward it.

You must be aware of the Soviet Union's reaction to these events. The Soviet Union provided military assistance to Afghanistan on the request of the legitimate government of Afghanistan under the friendship and mutual assistance treaty. Soviet soldiers help the Afghan people to defend their country from the hirelings whose words indistinct have affected the entire world. That is why the Soviet Union's assistance is just on legal grounds and essential on moral grounds. But can we overlook Pakistan's role in these events? It is known that more than 120 camps, where mercenaries are trained in violation of all international laws, are set up in Pakistan. These bandit gangs carry out raids against Afghanistan from Pakistan's territory and destroy crops, schools, hospitals, and other financial institutions. It is a brazen fact that the Pakistani leadership helps subversive organizations against Afghanistan with which it has diplomatic relations. This is a bitter truth and it cannot be ignored.

The Soviet Union has many times drawn Pakistan's attention to the fact that Pakistan's participation in aggressive acts against Afghanistan--with which the Soviet Union is tied with the treaty of friendship of mutual assistance--cannot but be prejudicial to normal Soviet-Pakistan relations. It is also clear that if the Afghan issue is solved through political means, then it will pave the way for normalizing the situation in the region as a whole and that is how many obstacles will be removed which are hindering the promotion of good-neighborly relations between the Soviet Union and Pakistan. The Soviet Union is pursuing this path through active endeavors to end this conflicting situation peacefully.

MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

INDIRA GANDHI'S ROLE IN INDIAN HISTORY REMEMBERED

Moscow NOVAYA I NOVEYSHAYA ISTORIYA in Russian No 5, Sep-Oct 85 pp 125-143

[Article by R. A. Ulyanovskiy: "Indira Gandhi. A Political Portrait"]

[Excerpts] The outstanding daughter of the Indian people, the state, political and public figure of India Indira Gandhi (1917-1984) devoted her entire life to the struggle for the freedom and progress of her homeland, for a durable peace and friendship among nations. She took upon herself the gigantic work of guiding an enormous state and fell victim to political terror.

The life of Indira Gandhi, above all her last 20 years, was inseparably linked with the history of the great Asiatic country and constituted a whole epoch in it. Now, after the death of Indira Gandhi, it is possible and necessary to sum up some of its results. They will hardly be definitive. Only a certain chronological distance will clear up facts, reveal the hidden internal and especially external forces that directed the hands of the assassins of India's prime minister, bring to light new circumstances and reveal the consequences, which is extremely important for any historical judgement. But it is necessary to take the first steps in this direction at precisely this time. The life and activity of I. Gandhi and her legacy are being converted into a field of political and ideological struggle. The more urgent is the task to give a balanced assessment of them that is based on concrete facts and judgements.

The last years of the life of I. Gandhi, which coincided with the deterioration of conditions in the world and with attempts by imperialism to recover lost positions by means of force, were marked by the intensification of her activity in the international arena. Under the leadership of I. Gandhi, India invariably and consistently came forward from anti-imperialist positions. "We take to heart the struggle for freedom wherever it takes place," I. Gandhi declared already in 1974, "but this is a consequence not only of our experience, but also of a well thought-out approach. . . . We support the struggle for liberation because we believe that our own freedom in the future is linked with it, because we believe that as long as even a single country is deprived of freedom, neither we nor a single nation, even in the so-called free countries, can be truly free."²⁵

An acknowledgement of the outstanding services of India in the struggle for peace, national independence and the unity of the developing states was the

holding, in Delhi in 1983, of the 7th conference of the heads of states and heads of governments of the non-aligned countries and the election of the prime minister of India as the chairperson of the non-alignment movement. She successfully fulfilled this responsible mission. India made an enormous contribution to the strengthening of the unity of the non-alignment movement and the preservation of its adherence to the basic principles--anticolonialism, anti-imperialism, and antimilitarism. "The concept of non-alignment," Indira Gandhi emphasized in an interview on the occasion of the 20th anniversary of the non-alignment movement, "has a dynamic character. It does not signify inaction, passive neutralism or self-removal. Rather it signifies the examination of international problems on their substance, independent conclusions that correspond to national interests, and the decisive assistance to the strengthening of the friendship among nations and the peaceful solution of disputes."²⁶

The active appearances of India for the prevention of nuclear war and the strengthening of peace throughout the world and the solution of other urgent problems of the present day were conducive to the consolidation of its international authority and the increase of its role in world affairs.

In the sphere of domestic policy, this period was characterized by outbreaks of religious-communal differences and the aggravation of intercommunal conflicts and trends toward regionalism and separatism. Frequently provoked and fueled from the outside, from quarters where there is no interest in a united, integral, strong, peaceful and democratic India, and aimed at the destabilization of conditions in the country, the undermining of its unity, and its division into hostile states.

The struggle for securing the unity of India and its people was moved into the foreground. Indira Gandhi died precisely in this battle. She was killed in revenge for decisive actions against extremism and terrorism, which she was obligated to take as head of the government.

The Historic Role of Indira Gandhi

In her stormy political life, Indira Gandhi had quite a few enemies. A multitude of accusations were brought against her. They quieted down somewhat during the days of general mourning after her death, to break out subsequently with new force. These accusations must be examined.

Indira Gandhi was reproached for allegedly deviating from the principles of Nehru both in the objectives and in the means of conducting her policy. Even at the moment when India took leave of its prime minister, an article by S. S. Harrison was published in the INTERNATIONAL HERALD TRIBUNE, in which it was asserted that I. Gandhi pursued personal goals, conducted a policy that was dangerous for the stability and unity of India, and changed the basic purposes of Nehru with respect to the religious and regional minorities.²⁷ Nayantara Sahgal, a writer who has a negative attitude toward I. Gandhi, in spite of her close relationship to her (she is a first cousin) asserted that the authoritarianism was the inevitable consequence of the personality and temperament of I. Gandhi, that she broke sharply with the democratic traditions of her father, her family and Indian politics.²⁸ I. Gandhi was accused of having buried in

oblivion the tact and art displayed by Nehru in reconciling various tendencies and his attitude to the formation of the cabinet, which went beyond the limits of the traditional division into right-wingers and left-wingers and took account the heterogeneity of Indian society.²⁹

This criticism came from the opponents of I. Gandhi's policy. In order to understand her true attitude to the legacy of her father, we must, first of all--the Gandhi ethical principle of the unity of ends and means notwithstanding--clearly differentiate the problems of ends and means, not on the moral, but on the logical plane. We shall return to the ends a bit later. But now we shall dwell on the means.

Some change of the political traditions under I. Gandhi, by comparison with the epoch of Nehru and the short period when Lal Bahadur Shastri was prime minister, were called forth not so much by the personal qualities of Nehru's daughter as by a new political situation. It was determined by two factors: By the intensification of the contradictions in Indian society and correspondingly also in the political spheres, and by the different situation of the prime minister. Nehru at first became the leader of the nation and afterwards prime minister. And this affected his position in the parliament and in the government. His authority was unquestionable. The unity of the Indian National Congress Party of the period of the struggle for independence was basically still intact, it had just begun to show fissures. In 1947 the Socialist Party split off from the Congress--a party which considered itself (not always with justification) the left opposition, and in 1959 the most prominent figure of the Indian National Congress Party, Rajagopalachari, broke off from it in order to establish, together with other political leaders, the conservative Swatantra Party. Nehru spoke in ironic terms about this opposition, which did not represent a serious threat, and had full confidence in the complete support of his party by the people. The great authority of the national leader gave him such confidence. In order to conduct his policy, Nehru did not have to resort to decisive measures.

At first Indira Gandhi did not have at her disposal such great authority. An influential group in the Indian National Congress--the "Syndicate"--supported her, calculating on the strengthening of its own power. Nehru to a certain degree stood above political passions and political struggle. I. Gandhi became immersed in the very thick of them. She was already no longer able to conduct the political course of Nehru in the government and the Indian National Congress by his methods. Patience and tact did not prevent Nehru from being the master of the situation. For his daughter, they would have signified the loss of her own person, for "the old guard" of the Indian National Congress aspired to persistently conduct its own policy aimed at the discreditation of I. Gandhi, at her removal from power, to which no opposition previously could have and would have dared to lay claim. Under such circumstances, to manifest the patience characteristic of Nehru in essence would have signified not to continue his traditions, but to be a passive observer of the degeneration of the Congress of Nehru into a Congress of the "Syndicate". The change in the "style" of Nehru became necessary to preserve the political continuity in the main thing, in the solution of the tasks set by him.

The opponents of I. Gandhi time and again accused her of carrying out "dynastic

interests, especially during the days when, after her death, Rajiv Gandhi became the prime minister of India. Indeed, the fact is that the current head of the Indian government represents the fourth generation of the Nehru family that plays a leading role in the political life of the country, and the third generation to which the highest executive power is entrusted. A rare phenomenon in contemporary history. Not much imagination is required of the opponents of the policy of Jawaharlal Nehru and Indira Gandhi to start talking about a "ruling dynasty". But in the Nehru family, authority of political leadership was by no means acquired on the basis of inheritance. Motilal Nehru, the first leader who came from this family, achieved everything himself. His son, Jawaharlal, already possessed important advantages, for in the house of his father he found himself in the very center of the national movement. But he did not inherit his high authority, it was won by him through years of selfless struggle. Jawaharlal was not even the heir of Motilal on the political plane. Between them there were serious differences, which did not prevent the father and son to preserve love and affection for each other. At the end of the 1920's, Motilal represented the moderate figures of the Indian National Congress, but Jawaharlal--the radicals. J. Nehru opened up new horizons for himself and for the Indian National Congress. He for the first time in the Indian National Congress called attention to the international conditions of the liberation movement and, having become the leader of the left wing of the Indian National Congress, tried to bring the ideas of socialism within its reach.

J. Nehru did not want to name his successor, so as not to interfere with the solution of this question in a democratic manner. But he did not even think about handing power over to his daughter. She was elected chairperson of the Indian National Congress in 1959 not on the initiative of Nehru. When at the beginning of the 1960's it was proposed to him to introduce I. Gandhi into the government, he refused to do so.

Like her father, Indira Gandhi did not inherit power, and in accordance with the constitution she repeatedly turned to the Indian voters for a mandate. She demonstrated respect for democratic principles and when the emergency situation ceased to exist, let the voters decide the dispute between the Indian National Congress and the opposition and submitted to their will. For tens and hundreds of millions of Indians, she became not only the daughter of Nehru, but also the mother of India, as Rajiv Gandhi said correctly after her death. Indira Gandhi attained this recognition through energy, hardships and dedication to the cause.

The thesis about a dynasty, which has become a weapon in the political battle, does not hold water. Nehru and Gandhi are not a dynasty, but a patriotic family, which has made an outstanding contribution to the history of India, to the national liberation movement, and to the formation and consolidation of an independent state. This family won wide recognition for the struggle against colonialism, imperialism, and racism, for peace, independence, the unity and prosperity of India, for friendship with the Soviet Union, and for friendship with the socialist world. It became a symbol of the achievement, honesty and deep patriotic dedication to the interests of the country. All of this led to the fact that, other things being equal, the Indian people gave preference to the representatives of this family and more than once in an alarming situation perceived in this the means of guaranteeing stability.

In illuminating the historic role of Indira Gandhi, it is important to make a correct selection of principles, criteria, and assessments, proceeding in so doing not only from subjective desires, but from objective reality. Those who did not like her measures with respect to the nationalization of the banks and the abolition of the privileges of the princes or the development of the state sector accused her of communism. Those who consistently defended the interests of the workers sometimes reproached her with conducting a policy directed against the people. Those who rejected the policy of non-alignment, from pseudo-revolutionary positions, reproached I. Gandhi, as well as her father, with support of imperialism. Those who did not like India's independence from the West reproached I. Gandhi with being pro-Soviet. Those who were apprehensive about the penetration of American capital perceived in her a pro-American policy.

To the last two accusations, I. Gandhi replied: "I have a pro-Indian inclination."³⁰ She was neither a pro-Soviet nor a pro-American politician, she was a consistent Indian patriot and nationalist, reformist and centrist. At times I. Gandhi occupied a position to the left of center. And within these limits, which nevertheless left space for progressive evolution, one must assess her activity, her contradictions, her achievements and miscalculations. And within these limits, I. Gandhi continued, and in a number of cases also successfully developed, the traditions of J. Nehru.

As for Nehru, too, genuine nationalism was inseparable for I. Gandhi from anti-imperialism. It manifested itself also in the struggle for the securing of the sovereignty of her country in the political, economic and cultural sphere; and in the support of the peoples not yet liberated from the direct yoke of colonialism and imperialism, racism and Zionism, be they in the south of Africa, in the Near East or in Latin America; and in the strengthening of the movement of non-alignment on the basis of resistance to imperialist exploitation; and in the defense of the idea of a new economic order; and in the struggle against the imperialist policy of armaments and military bases, in particular in the Indian Ocean; and in the decisive refusal to support the reactionary forces in Asia in spite of the pressure of the Western powers and the noisy campaign of bourgeois propaganda. In so doing, I. Gandhi avoided an approach to the West that would have led to the repudiation of economic cooperation with it and the possibility of receiving economic assistance. And blind anti-Americanism was foreign to her; not making use of state loans from the United States, she received assistance through the International Monetary Fund and the International Bank for Reconstruction and Development, restraining their encroachments on national sovereignty and, to a certain degree, balancing their activity with cooperation with the countries of socialism.

Sincere anti-imperialism led I. Gandhi to the development and enrichment of still another legacy of Nehru--friendship with the Soviet Union. J. Nehru was a pioneer in this sphere and laid solid foundations of friendship. By the time I. Gandhi came to power, two metallurgical plants and a large machine-building plant, built with the assistance of the USSR, were already in operation in India. But it was precisely under her that Soviet-Indian cooperation acquired unprecedented scope, solidity, and all-round character, which were given shape in the Agreement on Friendship of 1971. At the present time, two new metallurgical plants are being installed in India with the

participation of the USSR, and deposits of oil have been discovered by Soviet geologists. The cooperation of India with the USSR encompasses spheres of the economy, culture, trade and politics. "We are content with the friendship with the Soviet Union and are proud of it," said I. Gandhi. "It has stood the test of time and serves as a reliable foundation during times that are difficult for us. This friendship has economic advantages--precisely it gave us the possibility of strengthening the industrial and machine-building base, as well as of developing trade."³¹

I. Gandhi deeply realized the conditionality of friendship with the USSR by the national interests of India and its organic link with the anti-imperialist struggle. In an interview given not long before her death to the French journalist Marie-France Garaud for the journal GEOPOLITIQUE, she declared: "I would say that it is precisely the Soviets who support us. When I say "we", I have in mind not only India, but also all developing countries and the group "77". There is no doubt, for example, that we are--and not without foundation--the natural heirs of the anti-imperialist and anti-colonial tradition which, perhaps for other reasons, the Soviet Union shares."³²

The defense of peace and peaceful coexistence, the defense of the principles of detente, confidence and mutually advantageous cooperation is still another sphere in which I. Gandhi continued the traditions of her father. As leader of the movement of non-alignment, India under her leadership made a significant contribution to this movement, which is acquiring exceptional significance in the present-day alarming international situation.

A great contribution of I. Gandhi is her energetic defense of the security of India in the tense conditions that have developed in Asia and on the Hindustan Peninsula, and vigilance with respect to the unfriendly government of Pakistan and the ruling circles of Bangladesh, which have forgotten about the assistance provided to this state by India at a decisive moment of its history, and with respect to the expansionist schemes emanating from the imperialist powers. I. Gandhi was conscious of the full danger of the link-up of the rulers of Pakistan with the militaristic elements in the United States and warned the people of India about this.

In the sphere of domestic policy, I. Gandhi devoted paramount attention to the preservation of the unity of India. She guarded it with resoluteness and purposefulness, seeing in it a pledge of independence and progress. She firmly defended the principles of an Indian federation with a strong central authority and was in principle opposed to its replacement by a fragile union of states and territories, which could only serve as a step toward the breaking up of the great Asiatic state. In defending the territorial integrity of India, I. Gandhi was completely free from communalism in any of its manifestations and, following Nehru, defended the ideal of the complete equality and fraternity of all religious and national communities.

In 1958, in response to a question by Andre Malraux concerning the greatest problem of India, J. Nehru said: "The greatest problem consists in feeding her population." Twenty-six years later, when the country had provided itself with its own grain, I. Gandhi, in response to the same question raised by the French correspondent M.-F. Garaud, replied: "In inducing the population of the country to live in common."³³

An important principle of the economic policy of I. Gandhi, which was also taken from Nehru, was the strong stake on the state sector. She succeeded in beating off the attacks of her opponents and in establishing the state sector as an important part of the national economy, not only having demonstrated its viability but also having turned it into an important lever for socio-economic transformations. It represents the backbone of the productive forces of the country, a stimulator of scientific-technical thought, and in the future may become the source of socialism in India.

Both J. Nehru and I. Gandhi were advocates of the so-called mixed economy, the essence of which consists in the combination of state and private-capitalist enterprise, large-scale, medium and small-scale. In so doing, they emphasized the significance of the priority development of the state sector, thinking that in time both types of enterprise will merge as the result of reform and thereby will form the foundations of "a society of a socialist model". This conception was programmatic for the economic policy of the Indian National Congress during the entire period after the achievement of the independence of India, and its roots go back as far as the mid-Thirties of our century.

The state sector, as has already been said, proved its viability and became the backbone of the industrialization of India. As far as private enterprise is concerned, here we have the testimony of Nehru himself. It also developed and at rather high rates at that, especially large business, as well as medium-size business, grew stronger. Medium-size private enterprise registered the most extensive development. Remaining realistic in the assessment of India's social order, Nehru said: "This is a capitalist economy with significant state control, or a capitalist economy plus a public sector that is directly managed by the state, but in essence--it is a capitalist economy."³⁴ Nehru well understood the dangers threatening socio-economic progress and democracy, which were rooted not only in the forces of the feudal and semi-feudal land-owners or the religious-communal difference traditional for India, but also in the growing monopolies. Not long before his death in the autumn of 1963, Nehru wrote: "The more powerful the monopolies became during the past few years, the farther India went over to the side of socialism, for monopolies are the enemies of socialism."³⁵

One cannot agree with those who consider the domestic policy of I. Gandhi as being in contradiction with the interests of the people. But a certain narrowness of her domestic social policy is evident. On this plane, I. Gandhi fully shared the fate of the Indian National Congress, which, leaning on the broad popular masses and, moreover, not having lost the right to represent the nation, was primarily linked with Indian national capital, with the middle strata of the bourgeoisie, and with the petty bourgeoisie and the peasantry. In so doing, one must always keep in mind the incompleteness of the process of well-defined class formation in Indian society, a certain smudginess and inadequate definiteness of the class differentiation both in the village and in the city, not excluding in so doing the large detachments of the industrial and the agricultural proletariat. This is the explanation of the fact that, with the sincere sympathy for the popular masses, with a clear understanding of their misery, and with the readiness to respond to their suffering and to be where the people is going through calamities, I. Gandhi did not go for a

serious redistribution of the ownership of the national productive forces and the national income, for the consistent limitation of the interests of the privileged classes.

To some extent on this plane, too, she followed the traditions of Nehru, saying that "the problems of development can be solved only in a positive way, which envisages mainly the increase of resources and possibilities, but not redistribution for the sake of redistribution."³⁶ Nehru's idea concerning the necessity of creating wealth, and not "distributing" poverty cannot be included among the serious and indisputable foundations of his socio-economic program. No level of development and no poverty remove the question of social justice and social progress in the name of the working people. It is another question, how much, in what forms, and when, it is economically expedient "to redistribute". It is true that, in the presence of haste and immoderation, it can hinder economic growth. But equally true is the fact that, when it is skillfully used, it creates powerful economic and social stimuli of progress.

Nehru justified his policy by the necessity of a certain transition period, without precisely defining its social content and its duration. With the passage of time and the aggravation of social contradictions, this justification became increasingly less convincing. It would be frivolous and incorrect to accuse I. Gandhi of not having put an end to private capitalist property and not having introduced socialism in India. But the fact that she did not make use of all possibilities in the sphere of social transformations and the earnest improvement of the lot of the working masses of the people, that she could not fulfill her programmatic declarations, and that as a result of this "the tribes of poor men" increased, creating in the country an atmosphere of exceptional social inequality, unemployment, agrarian resettlement, and inflation, cannot call forth doubt in an impartial observer. As was said, this was the reason for the loss of confidence in the Indian National Congress.

It is difficult not to notice the fact that the programs of social transformations were always advanced by I. Gandhi at the moment of the aggravation of the political struggle or a crisis situation. Thus it was at the end of the 1960's and in 1975. As an Indian author writes with respect to the first case, "The Program of the 10 Points" served as "a political weapon", with the aid of which I. Gandhi gained the upper hand over the "syndicate".³⁷ "The Program of the 20 Points" was the basis of the pre-election struggle of the Indian National Congress (Indira) in 1980, but it remained unrealized.

"Promises to Keep"--that was the title of a book about Indira Gandhi, published in 1980, by the journalist V. Dutt, using the words from the poem by Robert Frost which Nehru loved. These were, as it were, the parting words of public opinion to I. Gandhi--a great political figure, who had again returned to power. They remain, one must add, in force also for those who came to take her place. If we talk about the long-term prospect, the Indian National Congress (Indira) precisely here, in the realization of its social programs, has the most reliable resources for increasing its influence.

In the general elections to the lower chamber of the parliament, which took place at the end of December 1984, the Indian National Congress Party gained a

striking victory. If prior to these elections, the Indian National Congress (Indira) controlled two-thirds of the deputy seats in the parliament, it now controlled almost 80 percent. It is extremely significant that the bourgeois opposition parties, which had tried not only to inflict serious damage, but even to remove the government, suffered a crushing defeat in the elections to parliament. Three basic right-wing opposition parties put up for election 601 candidates for deputy, but only 14 were elected compared to the 69 which these parties controlled in the previous parliament, i. e., their representation declined by a factor of 5.

There is no doubt that tens of millions of Indian voters spoke out for the continuation of the policy of Nehru-Gandhi. In going to the elections and voting for the Indian National Congress (Indira), the voters understood that they are voting for the strengthening of the unity and territorial integrity of the country, for the planned development of the Indian economy with priority of the state sector, for the effective realization of socio-economic transformations in the interests of the poorest strata of the population, as well as for the conduct of an independent and peaceful anti-imperialist foreign policy. It was precisely this content of the political line of the new government which was proclaimed in the pre-election manifesto of the Indian National Congress (Indira) and constituted the essence of its program and slogans.

The foes of India or pessimists are inclined to exaggerate the weaknesses of this great country. "Not a nation, not a state, not a genuine democracy, but a conglomeration of prejudices, myths, and symbols, scattered against the background of ignorance and poverty, with which Hinduism compels people to be reconciled, since they do not have the power to correct them," wrote not long ago Raul Bertrand in the newspaper LE MONDE in an article with the sensational title: "A Subcontinent Deprived of Hope".³⁸ What an irresponsible and ridiculous declaration!

A great nation and a great state! A state which has made an enormous leap toward progress during the years of independence, which has entered the first ten countries of the world in terms of the level of industrial development, which has supplied the more than 750-million-strong people with food, which has mastered nuclear energy, which has penetrated space, which has strengthened the links between individual regions, peoples and communities thanks to the significant development of a domestic market, an infrastructure, agriculture and industry. A state which enjoys great authority in the world, which has reliable allies and is ready to defend its national interests. In all of these positive changes, the role of Indira Gandhi, the greatest political figure, who for almost two decades headed the enormous country, is great.

A recognition of the outstanding contribution of I. Gandhi in the development of international relations in the direction of peace, detente, trust and cooperation, in the strengthening of the movement of non-alignment, and in the guarantee of the independence and progress of India was the posthumous award to her, in 1985, of the international Lenin Prize "For the Strengthening of Peace Among Nations".

The current prime minister of India, Rajiv Gandhi, has inherited from Indira Gandhi great achievements and principles tested by time, but also a multitude of difficulties and unresolved problems. The friends of India hope to see in him a worthy continuer of the policy of Jawaharlal Nehru and Indira Gandhi, who is loyal to the traditions of the national liberation movement of the Indian people and ready for their bold, broad, creative intensification and renewal.

FOOTNOTES

25. I. Gandi, "Stat1, rechi, intervyyu" [Articles, Speeches and Interviews], Moscow, 1975, p 152.
26. I. Gandi, "Vneshnaya politika Indii" [The Foreign Policy of India], Moscow, 1982, p 200.
27. INTERNATIONAL HERALD TRIBUNE, 3-4 November 1984.
28. N. Sahgal, "Indira Gandhi: Her Road to Power", New York, 1982, p 12.
29. Ibid, p 33; INTERNATIONAL HERALD TRIBUNE, 3-4 November, 1984.
30. I. Gandi, "Vneshnaya politika Indii", p 9.
31. Ibid, p 169.
32. LE MONDE, 15 November, 1984.
33. Ibid.
34. A. S. C. C. ECONOMIC REVIEW, Delhi, 15 September, 1957, pp 6-7.
35. CONGRESS BULLETIN, 1963, No 9-10, p 55.
36. I. Gandi, "Stat1, rechi, intervyyu", p 216.
37. V. Dutt, "Indira Gandhi. Promises to Keep", Delhi, 1980, p 143.
38. LE MONDE, 8 November, 1984.

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MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

MOROCCAN WRITERS' DELEGATION IN BAKU

[Editorial Report] Baku KOMMUNIST IN Azer 27 October 1985 carries on page 4 a 350-word AZERINFORM interview with Ahmad al-Yaburi, chairman of the Morocco Writers' Society and head of a Moroccan writers' delegation, which was invited to the USSR by the USSR Writers Union. In the course of his interview he said: "'As a writer in Arabic, the unspeakable crimes committed by Zionists in the Arab world disturb me especially. It is no secret that Israeli militarists are attempting to annihilate the Arab peoples, their culture and literature, and that they are implementing their expansionist plans with the help of the White House.'" He also said that "'having been in the USSR, we are sure that the problems of a peaceful settlement in the Near East conflict has caused Soviet writers to think, and this is reflected in their work.'" He called for a strengthened relationship between Soviet and Moroccan writers.

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SUB-SAHARAN AFRICA

ETHIOPIA'S MENGISTU ON DROUGHT MEASURES, ERITREAN QUESTION

PMD51627 Moscow NEW TIMES in English No 48, Nov 85 pp 10-11

[Interview with Mengistu Haile Mariam, general secretary of the Workers' Party and chairman of the Provisional Military Administrative Council of Ethiopia, in Moscow by Aleksandr Uvatov: "Mengistu Haile Mariam: 'Considerable Progress Already'"—date not given; first two paragraphs are NEW TIMES introduction]

[Text] Mengistu Haile Mariam, general secretary of the Workers' Party and chairman of the Provisional Military Administrative Council of Ethiopia, paid a friendly working visit to Moscow in the first half of November. He had talks with Mikhail Gorbachev as well as with Nikolay Ryshkov and Eduard Shevardnadze. A Soviet-Ethiopian protocol providing for a considerable increase in trade between the two countries in 1986 was signed. The Ethiopian leader attended the celebration of the 68th anniversary of the October Revolution.

Before his departure, Mengistu Haile Mariam granted the following interview to Aleksandr Uvatov of NEW TIMES.

Question: What is your appraisal of your visit to the USSR?

Answer: We always consider a visit to the Soviet Union as being one to a fraternal country whose people, party and government have always demonstrated fully their support to and solidarity with the Ethiopian people. On this particular visit, I have had the opportunity to conduct talks with the general secretary of the CPSU, Comrade Mikhail Gorbachev, and other Soviet leaders. Our talks, which focussed on wide-ranging bilateral and international issues, were held in a warm and comradely atmosphere. I am glad to underscore that there was a complete identity of views on all the issues we discussed.

Question: What are the aims of the foreign policy activity of socialist Ethiopia at present?

Answer: Ethiopia's foreign policy is based on the time-tested principles of respect for sovereignty, territorial integrity and non-interference in the internal affairs of states. Mutually advantageous cooperation with all states

on the basis of equality and the nonuse of force in the settlement of disputes.

Our foreign policy rests on the twin pillars of proletarian internationalism and peaceful coexistence.

We give special emphasis to fostering good-neighborliness and cooperation, and to bringing about peace in our region. We also attach great importance to the strengthening of African unity and cooperating in the effort to extricate our continent from economic backwardness and underdevelopment. Ethiopia also actively strives for the maintenance of international peace and security.

Question: What progress has been made in carrying out the programme of action drawn up by the Political Bureau of the Central Committee of the Workers' Party of Ethiopia to overcome the consequences of the drought and to solve the food problem?

Answer: I must say that considerable progress has already been made. Essentially, the programme consists of saving lives by providing immediate relief assistance, rehabilitating the victims of the drought as much as possible in the afflicted areas and resettling part of the victims in the fertile areas of the country.

We have managed to mitigate the harmful effects of the drought. The death toll of the hungry has been halted. The shelters that were once packed with thousands of drought victims are almost totally abandoned. In a period of just seven months, we have resettled over 500,000 peasants. We are glad to note that much of the effort is already firmly on the road to success.

Our resettlement programme, still the target of criticism by our enemies, has already given unmistakable indications that it will be a going concern. The solid infrastructure we have laid and the mechanized farms put at the disposal of the settlers gave them the assurance of a better life for themselves and their children. We owe this positive development to the dedication and hard work of our people—workers, peasants and intellectuals.

We could hardly have achieved so much without the generous assistance of many countries and donor agencies. This assistance formed the crucial supplement to our own effort. I wish to thank the people, government and party of the Soviet Union for their generous fraternal assistance to our people in their hour of need.

But the impact of the drought is not yet completely removed. A major drought like the one that has struck Ethiopia has effects that can hardly be overcome in days or months. Very often, a couple of lean years have to be endured until the consequences are done away with.

Our long-term objective is to eliminate any future recurrence of food-deficit situations in our country. That can be spelled out as the development of the necessary capability to withstand the impact of cyclical drought

and finally break the cycle itself. This would involve, among other things, increasing the productivity of the rural sector, a sustained redistribution of rural manpower and an effective programme of environmental rehabilitation. With a party that has already proved its worth and a hard-working people, we are more than sure that we can give an adequate response to this major challenge.

Question: Western propaganda presents the Eritrean separatists as fighters for some righteous cause. This was reflected in the recent speech in the UN of the head of the U.S. administration. What is your opinion of such propaganda and what are the prospects for resolving the nationalities question in your country, particularly in connection with the preparation for the establishment of the People's Democratic Republic of Ethiopia?

Answer: To contend that the bandits in Eritrea are fighting for a righteous cause is to condone brigandage and terrorism. This must be clear to everyone in the West, including the head of the U.S. administration. You see, the criminal act against the national unity of Ethiopia has become a booming multimillion-dollar business run by imperialism and reaction. It has provided job opportunity for those who are coldblooded enough to murder their own brothers and sisters in exchange for thick wads of dollars and sumptuous villas in Europe and the Middle East. Such a lucrative offer cannot but attract mercenaries and assassins.

Despite the destructive acts of these elements who are hostile to the people, we have not refrained from seeking a peaceful solution to the problem in the Eritrean Administrative Region. To this end, we have taken a number of measures, including the issuance of the nine-point Peace Policy Declaration. But all our efforts have been of no avail.

The programme of the Workers' Party provides that the problem of nationalities will be resolved on the basis of regional autonomy. The draft constitution of the projected People's Democratic Republic of Ethiopia clearly specifies that the nationalities will exercise their rights with due regard to the interests of the working people and the objective conditions prevailing in the country.

Question: What in your opinion are the main causes of the complex problems and conflicts arising on the African continent?

Answer: As we all know, Africa is beset with the problem of underdevelopment. This is further aggravated by recurrent droughts, the steady decline in prices of exports goods and the huge burden of external debts.

Considering the abundant natural resources, the aspirations of the people of the continent to attain economic prosperity could have been fulfilled. However, due to the persistent neocolonial exploitation, the efforts of the African countries to gain economic in addition to political emancipation have been frustrated. In particular, those countries which have opted for the socialist path of development have become the prime targets of imperialism. I should emphasize that this is the root cause of much of the conflict plaguing our continent.

A very pressing issue which remains to be solved is the situation in southern Africa. The resolution of this problem was rendered very difficult by some Western countries, particularly the United States, which gives full support to the Pretoria regime. This has emboldened the racist regime to intensify its repression against the people of South Africa, to continue its illegal occupation of Namibia, and to resort to acts of destabilization and aggression against the frontline states.

We are confident, however, that the peoples of Africa have the resilience and determination to withstand imperialist intrigues and threats and achieve socio-economic emancipation and complete freedom.

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